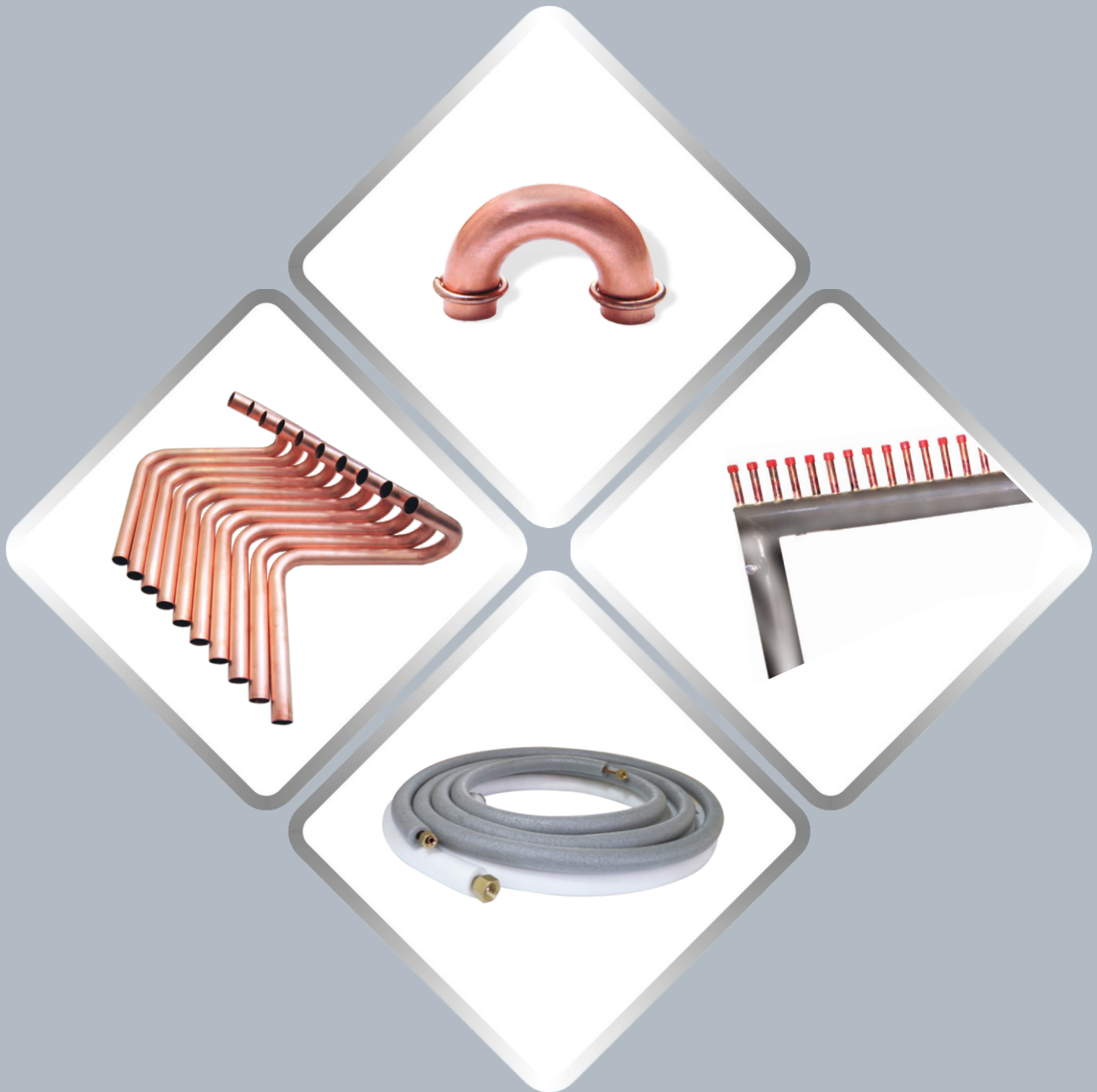




**A.B.C. Gas International Ltd.**



**THIRTY NINETH  
ANNUAL REPORT  
2018-19**

# ABC GAS ( INTERNATIONAL ) LTD.

## BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

Mr. Shyamlal Prasad Shorewala	- Chairman & Director
Mr. Satish Shymalprasad Shorewala	- Managing Director
Mr. Rohith Satish Shorewala	- Whole Time Director
Mrs. Neelam Satish Shorewala	- Director
Mr. Chandraprakash Singhania	- Independent Director
Mr. Arun Ganeriwal	- Independent Director
Mr. Manohar Shetage	- Chief Financial Officer
Mrs. Nidhi VinodKumar Darak	- Company Secretary and Compliance Officer (Appointed w.e.f.30.03.2019)

## REGISTERED OFFICE:

1, Mahesh Villa, B.G.Kher Road,Worli,Mumbai - 400 018

## BANKER

HDFC Bank Ltd. Axis Bank Ltd.  
IDBI Bank Ltd.

## STATUTORY AUDITORS

### M/s. B.P. KABRA & ASSOCIATES

Room No. 21, 1st Floor, 66,  
Chandanwadi, Marine Lines,  
Mumbai 400 002

## SECRETARIAL AUDITOR

M/S. Madhukar K. Apte & Associates  
Practicing Company Secretaries

## REGISTRAR & SHARE TRANSFER AGENT

Sharex Dynamic (India) Private Limited,  
C 101, 247 Park,  
LBS Marg, Vikhroli West.  
Mumbai - 400 083

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## NOTICE OF 39<sup>TH</sup> ANNUAL GENERAL MEETING

Notice is hereby given that the **Thirty Ninth Annual General Meeting** of the members of **ABC GAS (INTERNATIONAL) LIMITED** will be held on **Saturday, 28<sup>th</sup> day of September, 2019 at 11.30 A.M.** at Janata Shikshan Sanstha's High School, Adarsh Nagar, Worli, Mumbai-400 030 to transact the following businesses:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statement of the Company for the financial year March 31, 2019 together with Reports of the Board of Directors and the Auditors.
2. To appoint a Director in place of Mr. Rohith Satish Shorewala (DIN: 01650221) who retires by rotation and, being eligible, offers himself for re-appointment.

### SPECIAL BUSINESS:

3. To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:  
“**RESOLVED THAT** pursuant to the provisions of Section 149, 150, 152, 161 read with Schedule IV and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Director) Rules, 2014 (including any statutory modification(s) and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), and pursuant to the recommendation and approval of the Nomination and Remuneration Committee, Mr. Yash Ratanlal Mardia (DIN: 06735082), who was appointed as additional Independent Director w.e.f. 27<sup>th</sup> June, 2019 and whose term expires at the ensuing Annual General Meeting of the company and who has submitted a declaration of independence under Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the Listing Regulations and being eligible for appointment as an Independent Director be and is hereby appointed as an Independent Director of the Company for a period of five years from 27<sup>th</sup> June, 2019 to 26<sup>th</sup> June, 2024, whose office shall not be liable to retire by rotation.”
4. To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:  
“**RESOLVED THAT** pursuant to the provisions of Section 149, 150, 152, 161 read with Schedule IV and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Director) Rules, 2014 (including any statutory modification(s) and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), and pursuant to the recommendation and approval of the Nomination and Remuneration Committee, Mr. Akhilesh Singhal (DIN: 08479112), who was appointed as additional Independent Director w.e.f. 27<sup>th</sup> June, 2019 and whose term expires at the ensuing Annual General Meeting of the company and who has submitted a declaration of independence under Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the Listing Regulations and being eligible for appointment as an Independent Director be and is hereby appointed as an Independent Director of the Company for a period of five years from 27<sup>th</sup> June, 2019 to 26<sup>th</sup> June, 2024, whose office shall not be liable to retire by rotation.”
5. To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:  
“**RESOLVED THAT** pursuant to provisions of Section 196, 197, 198, 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for time being in force), subject to such further approvals as may be necessary, consent of the members be and is hereby accorded for the reappointment of Mr. Satish Shorewala (DIN: 00055358) as the Managing Director of the Company with effect from 01<sup>st</sup> August, 2019 to 31<sup>st</sup> July 2024 for the term of 5 years on such remuneration and terms and conditions as per the terms of his appointment.

**RESOLVED FURTHER THAT** in the event of absence of or inadequacy of profit in any Financial Year during the tenure of the Managing Director the remuneration shall be governed as provided under Section II of Part II of Schedule V to the Companies Act, 2013 and any excess payment in this regard will be recovered by the Company.

**RESOLVED FURTHER THAT** he is appointed as a Managing Director on Board liable to retire by rotation.

**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorized to do and perform or cause to be done and performed, all such acts and deeds necessary to give effect to the foregoing resolution, including inter alia, approving on behalf of the Company, any changes or modifications in the aforesaid Agreement from time to time.”

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

“**RESOLVED THAT** pursuant to provisions of Section 196, 197, 198, 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for time being in force), approval of the member be and is hereby accorded to re-appoint Mr. Rohith Satish Shorewala(DIN: 01650221) as a Whole Time Director, for a further period of 5 (five) years from the expiry of his present term of office, that is, with effect from 1<sup>st</sup> October, 2019 to 30th September 2024 on the terms and conditions as mentioned in the explanatory statement to the Notice and the Board of Directors be and is hereby authorized to alter and vary such terms of the appointment and remuneration subject to the limits specified in Schedule V of the Companies Act, 2013.

**RESOLVED FURTHER THAT** in the event of absence of or inadequacy of profit in any financial year during the tenure of the Whole Time Director the remuneration shall be governed as provided under Section II of Part II of Schedule V to the Companies Act, 2013 and any excess payment in this regard will be recovered by the Company.

**RESOLVED FURTHER THAT** he is appointed as a Whole Time Director on Board liable to retire by rotation.

**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorized to do and perform or cause to be done and performed, all such acts and deeds necessary to give effect to the foregoing resolution, including inter alia, approving on behalf of the Company, any changes or modifications in the aforesaid Agreement from time to time.”

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

“**RESOLVED THAT** pursuant to the provisions of Section 180(1)(a) and all other applicable provisions of the Companies Act, 2013 (including any statutory modifications or re-enactment thereof, for the time being in force), the rules notified thereunder and the Articles of Association of the Company and such other approvals as may be necessary, approval of the shareholders’ be and is hereby accorded to the Board of Directors to sell, lease or otherwise dispose of, to mortgage, charge, hypothecate, pledge or otherwise, encumber from time to time moveable / immoveable properties of the Company, both present and future and /or whole or any part of undertaking(s) of the Company in favor of the Lender(s), Agent(s) and Trustee(s), for securing the borrowings of the Company availed / to be availed by way of loan(s) in foreign currency and/or rupee currency and Securities (comprising fully / partly Convertible Debentures and/or Non-Convertible Debentures, on all or any of the above, with or without detachable or non-detachable warrants and/or secured premium notes and/or floating rates notes/ bonds or other debt instruments) issued / to be issued by the Company, from time to time, subject to the limits approved under Section 180(1)(c) of the Companies Act, 2013, together with interest at the respective agreed rates, additional interest, compound interest, in case of default accumulated interest, liquidated damages, commitment charges premium on prepayments, remuneration of the Agent(s) / Trustee(s), premium (if any) on redemption, all other costs, charges and expenses as a result of devaluation / revaluation / fluctuation in the rates of exchange and all other monies payable by the Company in terms of the Loan Agreement(s) / Heads of Agreement(s), Trust Deed(s) or any other document, entered into / to be entered into between the Company and the Lender(s) / Agent(s) / Trustee(s), in respect of the said loans / borrowings / debentures / bonds or other securities and containing such specific terms and conditions covenants in respect of enforcement of security as may be stipulated in that behalf and agreed to between the Board of Directors or Committee thereof and the Lender(s) / Agent(s) / Trustee(s).

**RESOLVED FURTHER THAT** for the purpose of giving effect to the above resolutions, the Board / Committee of the Board or officers authorized by them in this regard be and are hereby authorized to finalize, settle and execute such documents / deeds / writings / papers / agreements as may be required and do all such acts, deeds, matters and things, as it may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulties or doubts that may arise with regard to borrowings and creating mortgages / charges as aforesaid.”

By order of the Board  
**ABC Gas (International) Limited**

**Date:-14.08.2019**

**Place:-Mumbai**

**S.P. Shorewala**  
**Chairman**  
**DIN:-00088077**

**Registered Office:**

1, Mahesh Villa, B.G.Kher Road,  
Worli, Mumbai - 400 018

**Notes:**

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (THE 'MEETING') IS ENTITLED TO APPOINT PROXY/PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**

THE INSTRUMENT APPOINTING THE PROXY IN ORDER TO BE EFFECTIVE SHOULD BE DULY STAMPED, COMPLETED, SIGNED AND DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY-EIGHT (48) HOURS BEFORE THE TIME FOR HOLDING THE MEETING.

2. Pursuant to the provisions of the Companies Act, 2013 and the underlying rules viz. Companies (Management and Administration) Rules, 2014, a person shall act as proxy for only fifty (50) members and holding in aggregate not more than ten (10) per cent of the total share capital of the Company carrying voting rights. In case a proxy is proposed to be appointed by a Member holding more than ten (10) percent of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder. If a Person is appointed as Proxy for more than 50 Members, he shall choose any 50 Members and confirm the same to the Company 24 hours before the commencement of the Meeting. In case, the Proxy fails to do so, the Company shall consider only the first 50 proxies received in respect of such person as valid.
3. During the period, beginning 24 hours before the time fixed for the commencement of the Meeting and ending with the conclusion of the Meeting, a Member would be entitled to inspect the proxies lodged at any time during the business hours of the Company, provided that not less than 3 days of notice in writing is given to the Company.
4. Explanatory Statement, pursuant to Section 102 of the Companies Act, 2013, relating to the Special Business to be transacted at this AGM, is annexed.
5. Members are requested to bring their attendance slips duly completed and signed mentioning therein details of their DP ID and Client ID/ Folio No.
6. SEBI, vide circular No. SEBI/HO/MIRSD/DOP1/CIR/P/2018/73 dated 20th April, 2018, read along with SEBI Circular no. SEBI/HO/MIRSD/DOS3/CIR/P/2018/115 dated 16th July, 2018, has mandated the Registrar and Transfer Agents to send a letter under Registered / Speed post seeking PAN and bank details and two reminders thereof by ordinary post/courier.
7. In the general interest of the Members, it is requested of them to update their bank mandate / NECS / Direct credit details / name / address / power of attorney and update their Core Banking Solutions enabled account number:
  - For shares held in physical form: with the Registrar and Transfer Agent of the Company.
  - For shares held in dematerialized form: with the depository participant with whom they maintain their demat account.
8. Corporate members intending to send their authorized representatives to attend the meeting pursuant to Section 113 of Companies Act, 2013 ("the Act") are requested to send to the Company a certified copy of the Board resolution authorizing their representatives to attend and vote on their behalf at the meeting.
9. Only registered Members of the Company or any proxy appointed by such registered Member may attend and vote at the Meeting as provided under the provisions of the Companies Act, 2013. In case any shareholder has voted electronically, then he/she can participate in the Meeting but shall not have a right to vote.
10. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
11. The Register of Members and Share Transfer Books of the Company shall remain closed from **Wednesday, 25th September, 2019 to Saturday, 28th September, 2019** (both days inclusive) for the purpose of Annual General Meeting.
12. Members holding shares in physical form and wishing to make / change in a nomination in respect of their shareholding in the Company, as permitted under Section 72 of the Companies Act, 2013 may submit the prescribed particulars in Form



No. SH-13 (Nomination Form) or SH-14 (Cancellation or Variation of Nomination), to the Company.

13. Members holding shares in single name and in physical form are advised to make a nomination in respect of their shareholding in the Company and those Members who hold shares singly in dematerialized form are advised to make a nomination through their Depository Participants.
14. Members are requested to mention their Folio Number/ Client ID/DP ID Number (in case of shares held in dematerialized form) in all their correspondence with the Company / Depository Participant in order to facilitate response to their queries promptly.
15. Members are requested to produce the enclosed attendance slip duly signed as per the specimen signature recorded with the Company/Depository Participant for admission at the entrance to the place of the meeting.
16. The Company has entered into necessary arrangement with Central Depository Services (India) Limited (CDSL) to enable the Shareholders to dematerialize their shareholding in the Company for which they may contact the Depository Participant.
17. Electronic copy of the Annual Report, Notice of the Meeting of the Company inter-alia indicating the process and manner of remote e-voting along with Attendance Slip and Proxy Form is being sent to all the members whose email IDs are registered with the Company / Depository Participants for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Notice of the Meeting of the Company inter alia indicating the process and manner of remote e-voting along with Attendance Slip and Proxy Form is being sent in the permitted mode.
18. Members seeking any information with regard to the Accounts are requested to write to the Company at an early date, so as to enable the Management to keep the information ready at the meeting. The members are requested to get their shares dematerialized. *The company's ISIN Code No.INE173M01012.*
19. The Ministry of Corporate Affairs has taken a ***“Go Green Initiative in the Corporate Governance”*** by allowing paperless Compliance by the Company and issued circulars stating that service of notice/ documents including Annual Report can be sent by e-mail to members. To support this green initiative of the Government in full measure, members are requested to register their e-mail addresses in respect of electronic holdings with the Depository through their concerned Depository Participants. Members who hold shares in physical form are requested to send their e-mail address to the following: *Email id:cs@abcgas.co.in*

The Notice of the AGM along with the Annual Report 2018-19 is being sent by electronic mode to those Members whose e-mail addresses are registered with the Company/Depositories, unless any Member has requested for a physical copy of the same. For Members who have not registered their e-mail addresses, physical copies are being sent by the permitted mode.

20. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to the Depository Participants with whom they maintain their demat accounts. Members holding shares in physical form should submit their PAN to the Company.
21. Members are requested to bring their copy of Annual Report to the Meeting. A member desirous of getting any information with regard to Accounts of the Company is requested to send the queries to the Company at least 10 days before the meeting to the Company Secretary at the Registered Office of the Company.
22. Members who are holding shares of the Company in physical form through multiple folios in identical order of names are requested to write to the Company, enclosing their share certificates, to enable the Company to consolidate their holdings in one folio.
23. In case of joint holders attending the meeting, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote, whether in person or by proxy.

24. SEBI vide Circular dated 20th April, 2018, has mandated the submission of Permanent Account Number (PAN) by every participant transacting in the securities market, irrespective of the amount of such transactions. Members holding shares in electronic form are requested to submit their PAN to their DPs, and those holding shares in physical form are requested to submit their PAN to Karvy. Members may further note that SEBI has also made it mandatory for submission of PAN in the following cases, viz., (i) deletion of name of the deceased shareholder(s), (ii) transmission of shares to the legal heir(s) and (iii) transposition of shares.
25. The SEBI has mandated the Registrar and Transfer Agents to send a letter under Registered / Speed post seeking PAN and bank details and two reminders thereof by ordinary post/ courier.
26. Members are requested to contact the Company's RTA for reply to their queries/redressal of complaints.
- M/s Sharex Dynamic (India) Private Limited  
C 101, 247 Park, LBS Marg, Vikhroli West.  
Mumbai - 400 083  
Email id: sharexindia@vsnl.com
27. The Annual Report and all necessary documents (i.e. attendance slip, proxy form and ballot form) of the Company for the year 2018-19, circulated to the Members of the Company, is available on the Company's website viz. [www.abcgas.co.in](http://www.abcgas.co.in).
28. Pursuant to Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 and Secretarial Standard-2 on General Meeting, the relevant details of Director seeking re-appointment are provided as below:

Brief Resume of Director proposed to be reappointed, in term of Regulation 36(3) of the listing Regulation

Name	MR. ROHITH SATISH SHOREWALA	MR. SATISH SHOREWALA
Date of Birth	25/02/1981	24/03/1957
Directors Identification Number (DIN)	01650221	00055358
Age	38 years	62 years
Qualification	Bachelors of Commerce, M.B.A	Bachelors of Arts
Expertise in Specific Area	Marketing	Marketing
Date of first Appointment on board of the Company	30/09/2009	01/04/2008
Shareholding in ABC Gas (International) Limited	86,400 Shares	97,200 Shares
List of Directorship held in other companies	1. Delta Pipe Fittings Private Limited 2. Abc Tube Industries Limited 3. Sincere Distributors Private Limited	1. Delta Pipe Fittings Private Limited 2. Abc Tube Industries Limited
Membership/Chairmanships of Audit and stakeholders relationship committees	No	Yes
Name	MR. AKHILESH SINGHAL	MR. YASH RATANLAL MARDIA
Date of Birth	30/08/1986	07/11/1992
Directors Identification Number (DIN)	08479112	06735082



<b>Age</b>	32 years	26 years
<b>Qualification</b>	Bachelor of Science in Materials Science and Engineering (USA)	MBA
<b>Expertise in Specific Area</b>	Metallurgy	Marketing
<b>Date of first Appointment on board of the Company</b>	27/06/2019	27/06/2019
<b>Shareholding in ABC Gas (International ) Limited</b>	No	No
<b>List of Directorship held in other companies</b>	No	No
<b>Membership/Chairmanships of Audit and stakeholders relationship committees</b>	No	No

29. The Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013, the Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013 read with Rules made thereunder will be available for inspection by the members at the Meeting.
30. The relevant documents referred to in this Notice and Explanatory Statement are open for inspection at the Meeting and such documents will also be available for inspection in physical or in electronic form at the registered office and copies thereof shall also be available for inspection in physical or electronic form at the registered office from the date of dispatch of the Notice till the date of the Meeting on all working days, from 10 a.m. to 12:00 noon, except Saturdays.
31. Members holding shares in physical mode are requested to register their e-mail address with RTA/Company and Members holding shares in demat mode are requested to register their e-mail address with their respective DPs, in case the same is still not registered.
32. Pursuant to amendment to Regulation 40 of SEBI (LODR) Regulations read along with BSE Circular dated 5th July, 2018 and dated 1st February, 2019, wherein with effect from 1st April, 2019 request for effecting transfer of securities shall not be processed unless the securities are held in the Dematerialized form with the depository. Therefore, the RTA of the Company will not be accepting any request for transfer of shares in physical form with effect from 1st April, 2019 except in case of request received for transmission or transposition of physical shares. The shareholders are therefore requested to dematerialize the said shares at the earliest to avoid any inconvenience in future for transferring those shares.
33. (a) Members are requested to notify immediately any change of address:
1. to their Depository Participants ("DPs") in respect of the shares held in electronic form;
  2. to the Company; and
  3. Registrar and Transfer Agents viz. Sharex Dynamic (India) Private Limited, in respect of the shares held in physical form together with a proof of address viz. electricity bill, telephone bill, aadhar card, voter ID card, passport, etc.
- (b) In case the mailing address mentioned on this Annual Report is without the PIN code, Members are requested to kindly inform their PIN code immediately.
34. If there is any change in the e-mail address already registered with the Company, Members are requested to immediately notify such change to RTA, in respect of shares held in physical form, and to their DPs in respect of shares held in electronic form.

35. Non-resident Indian Members are requested to inform the Company or RTA or to the concerned DPs, as the case may be, immediately:

- (a) the change in the residential status on return to India for permanent settlement;
- (b) the particulars of the NRE/NRO Account with a Bank in India, if not furnished earlier.

**36. Voting through electronic means:**

- i. In compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 w.e.f. 19th March, 2015 and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements), 2015 and Secretarial Standard on General Meetings (SS2) issued by Institute of Company Secretary of India, the Company is pleased to provide to the members the facility of voting by electronic means in respect of business to be transacted at the Meeting which includes the facility of casting the votes by the Members using an electronic voting system from a place other than venue of the Meeting ("remote e-voting") and the same will be provided by Central Depository Services (India) Limited (CDSL).
- ii. The facility of voting through ballot or polling paper shall also be made available for the members at the Meeting who have not been able to vote electronically and who are attending the Meeting. The members who have cast their vote electronically would be entitled to attend the Meeting but would not be permitted to cast their vote again at the Meeting. The facility to vote by electronic voting system will not be provided at the Meeting.
- iii. 

<i>Commencement of e-voting</i>	<i>From 25<sup>th</sup> September, 2019 (09.00 A.M. IST)</i>
<i>End of e-voting</i>	<i>on 27<sup>th</sup> September, 2019 (05.00. P.M. IST)</i>
<i>Cut- off Date</i>	<i>21st September, 2019</i>
- iv. A person who is not a member as on the cut-off date should treat this Notice for information purpose only.
- v. The company has engaged the services of Central Depository Services (India) Limited (CDSL) as the Authorized Agency to provide e-voting facilities.
- vi. The company has appointed M/s Anish Gupta & Associates, Company Secretaries (CP NO. 4092), as 'Scrutinizer' for conducting and scrutinizing the e-voting process in a fair and transparent manner.
- vii. The login ID and password for e-voting are being sent to the members, who have not registered their e-mail IDs with the company, along with a physical copy of the notice. Those members who have registered their e-mail IDs with the company / their respective Depository Participants are being forwarded the login ID and password for e-voting by e-mail.
- viii. "Voting by electronic means" or "electronic voting system" means a 'secured system' based process of display of electronic ballots, recording of votes of the members and the number of votes polled in favors or against, such that the entire voting exercise by way of electronic means gets registered and counted in an electronic registry in the centralized server with adequate 'cyber security'. It also helps the shareholders to cast their vote from anywhere and at any time during E-voting period. A separate communication containing all necessary instructions and relevant information is enclosed separately in the Annual Report.
- ix. **Instruction for remote e-voting**

**The instructions for shareholders voting electronically are as under:**

- (i) The voting period begins on Wednesday 25<sup>th</sup> September, 2019 at (9:00 A.M. IST) and ends on Friday 27<sup>th</sup> September, 2019 at (5:00 P.M. IST) During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 21<sup>st</sup> September, 2019, may cast their vote electronically.

The e-voting module shall be disabled by CDSL for voting thereafter.

- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) Shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (iv) Click on Shareholders.
- (v) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (viii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
<b>PAN</b>	<p>Enter your 10-digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>▢ Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the last 8 digits of the demat account/folio number in the PAN field.</li> <li>▢ In case the folio number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with folio number 100 then enter RA00000100 in the PAN Field.</li> </ul>
<b>Dividend Bank Details OR Date of Birth (DOB)</b>	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> <li>▢ If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).</li> </ul>

- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for the relevant <ABC Gas International LTD> on which you choose to vote.
- (xiii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

- (xiv) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xv) After selecting the resolution, you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xvi) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- (xviii) If Demat account holder has forgotten the same password, then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) **Note for Non – Individual Shareholders and Custodians**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporate.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details they have to create compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
  - The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- (xxi) The Scrutinizer shall, after the conclusion of voting at the AGM, first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses, not in employment of the Company, and make, not later than three days of the conclusion of the AGM, a consolidated Scrutinizer’s report of the total votes cast in favour or against, if any, to the Chairman of the Meeting or a person authorised by the Chairman in writing, who shall countersign the same and declare the result of the voting forthwith. The Scrutinizer’s decision on the validity of the vote shall be final and binding.
- (xxii) The results declared along with the Consolidated Scrutinizer’s report shall be placed on the website of the Company [www.abcgas.co.in](http://www.abcgas.co.in). The results shall simultaneously be communicated to the Stock Exchanges.
- (xxiii) Route map giving directions to the venue of the meeting is annexed to the Notice.

**EXPLANATORY STATEMENT****PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 AND OTHER APPLICABLE PROVISIONS**

The following statement sets out all material facts relating to all Special Businesses mentioned in the accompanying Notice:

**ITEM NO. 3:**

The Board at its Meeting held on 27th June, 2019 based on the recommendations of the Nomination & Remuneration Committee appointed Mr. Yash Ratanlal Mardia as an Additional Independent Director of the Company for Five years effective from 27th June, 2019 to 26th June, 2024 subject to the approval of shareholders.

In the opinion of the Board and based on the declaration of independence submitted by Mr. Yash Ratanlal Mardia. He is a person of integrity, has the necessary knowledge, experience and expertise for being appointed as an Independent Director and fulfills the conditions specified in the Companies Act and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015(Listing Regulations) for appointment as an Independent Director of the Company.

In terms of Section 161 of the Companies Act, 2013, Mr. Yash Ratanlal Mardia will hold office as an Additional Director of the Company until the conclusion of the upcoming Annual General Meeting.

Your Directors recommend the resolution at Item No. 3 of the accompanying Notice for approval of the Members of the Bank.

Except Mr. Yash Ratanlal Mardia, none of the Directors or Key Managerial Personnel of the Company or their relatives is in any way concerned or interested in the resolution set out at item no.3 of the Notice.

**ITEM NO. 4:**

The Board at its Meeting held on 27th June, 2019 based on the recommendations of the Nomination & Remuneration Committee appointed Mr. Akhilesh Singhal as an Additional Independent Director of the Company for Five years effective from 27th June, 2019 to 26th June, 2024 subject to the approval of shareholders.

In the opinion of the Board and based on the declaration of independence submitted by Mr. Akhilesh Singhal. He is a person of integrity, has the necessary knowledge, experience and expertise for being appointed as an Independent Director and fulfills the conditions specified in the Companies Act and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015(Listing Regulations) for appointment as an Independent Director of the Company.

In terms of Section 161 of the Companies Act, 2013, Mr. Akhilesh Singhal will hold office as an Additional Director of the Company until the conclusion of the upcoming Annual General Meeting.

Your Directors recommend the resolution at Item No. 4 of the accompanying Notice for approval of the Members of the Bank.

Except Mr. Akhilesh Singhal, none of the Directors or Key Managerial Personnel of the Company or their relatives is in any way concerned or interested in the resolution set out at item no.4 of the Notice.

**ITEM NO. 5:**

The Members at the 36th Annual General Meeting held on 24th September, 2016 approved the re- appointment of Mr. Satish Shorewala as the Managing Director of the Company with effect from 01st August, 2016 for the term of 3 years, he complete his present term on 31st July 2019.

On recommendation of the Nomination and Remuneration Committee and subject to the approval of the Members, the Board at the meeting held on 14<sup>th</sup> August, 2019, re-appointed Mr. Satish Shorewala as the Managing Director of the Company with effect from the 1st August, 2019 for a period of 5 years on existing terms and Conditions.

The duties of the Managing Director shall be subject to the superintendence, control and direction of the Board and he shall perform on behalf of the company, all such acts, deeds, and things, which in the ordinary course of business, he may consider necessary or proper or in the interest of the company.

The Board at the aforesaid meeting, on the recommendation of the Committee, also recommended for the approval of the Members, the re-appointment of Mr. Satish Shorewala as a Managing Director of the Company, as set out in the Resolution relating to his re-appointment, on the remuneration: -

#### Terms & Conditions

- a) Designation: Managing Director
- b) Term: 5 years with effect from 01st August, 2019 till 31st July 2024
- c) Salary: NIL
- d) The Managing Director shall have the right to manage the day-to-day business and affairs of the Company subject to the superintendence, guidance, control and direction of the Board of Directors of the Company.
- e) The Managing Director shall act in accordance with the Articles of Association, of the Company and shall abide by the provisions contained in Section 166 of the Act with regard to duties of Directors.
- f) The Managing Director shall adhere to the Company's Code of Conduct for Directors and Senior Management Personnel.
- g) Mr. Satish Shorewala satisfies all the conditions set out in Part-I of Schedule V of the Act and also conditions set out under Section 196 (3) of the Act for being eligible for his reappointment. He is not disqualified from being appointed as Directors in terms of Section 164 of the Act.

In the event of absence of or inadequacy of Profit in any Financial Year during the tenure, the remuneration shall be governed as provided under Section II of Part II of Schedule V to the Companies Act, 2013.

The Board of Directors be and hereby authorised to alter and vary the terms and conditions and grant increment(s) and other perquisites to respective individuals so as not to exceed the maximum limits for the payment of remuneration specified in Schedule V to the Companies Act, 2013 or any amendments thereto, as may be agreed to between the Board of Directors and the respective directors.

Your Directors recommend the resolution at Item No. 5 of the accompanying Notice for approval of the Members of the Bank.

Except Mr. Satish Shorewala, Mr. Rohith Shorewala, Mrs. Neelam Shorewala and Mr. S P Shorewala and their relatives, none of the Directors or Key Managerial Personnel of the Company or their relatives is in any way concerned or interested in the resolution set out at item no.5 of the Notice.

#### ITEM NO. 6:

The Members at the 34th Annual General Meeting held on 30th September, 2014 approved the appointment of Mr. Rohith Shorewala as a Whole Time Director of the Company with effect from 1st October, 2014 the present term will get completed as on 30th September, 2019.

On recommendation of the Nomination and Remuneration Committee and subject to the approval of the Members, the Board at the meeting held on 14<sup>th</sup> August, 2019, re-appointed Mr. Rohith Shorewala as the Whole Time Director of the Company with effect from the 1st October, 2019 till 30th September 2024 for a period of 5 years on existing terms and Conditions.

The duties of the Whole Time Director shall be subject to the superintendence, control and direction of the Board and he shall perform on behalf of the company, all such acts, deeds, and things, which in the ordinary course of business, he may consider necessary or proper or in the interest of the company.

The Board at the aforesaid meeting, on the recommendation of the Committee, also recommended for the approval of the Members, the re-appointment of Mr. Rohith Shorewala as a Whole Time Director of the Company, as set out in the Resolution relating to his re-appointment, on the remuneration: -



**Terms and Conditions:**

1. Designation: Whole Time Director
2. Term: 5 years
3. Salary : Nil

In the event of absence of or inadequacy of Profit in any Financial Year during the tenure, the remuneration shall be governed as provided under Section II of Part II of Schedule V to the Companies Act, 2013.

The Board of Directors be and hereby authorised to alter and vary the terms and conditions and grant increment(s) and other perquisites to respective individuals so as not to exceed the maximum limits for the payment of remuneration specified in Schedule V to the Companies Act, 2013 or any amendments thereto, as may be agreed to between the Board of Directors and the respective directors.

Your Directors recommend the resolution at Item No. 6 of the accompanying Notice for approval of the Members of the Bank.

Except Mr. Rohit Shorewala, Mr. Satish Shorewala, Mrs. Neelam Shorewala and Mr. S P Shorewala and their relatives, none of the Directors or Key Managerial Personnel of the Company or their relatives is in any way concerned or interested in the resolution set out at item no.6 of the Notice.

**ITEM NO. 7:**

Pursuant to the provisions of Section 180(1)(a) of the Companies Act 2013 the approval of shareholders is required by way of Special resolution to sell, lease or otherwise dispose of, to mortgage, charge, hypothecate, pledge or otherwise, encumber from time to time, movable and/or immovable, tangible and/or intangible properties/assets, both present and future and/or whole or substantially the whole of the undertaking(s) of the Company. The mortgage and/or charge by the Company on its moveable and/or immoveable properties and/or the whole or any part of the undertaking(s) of the Company in favor of the Lender(s), may be regarded as disposal of the Company's undertaking(s) within the meaning of section 180(1)(a) of the Companies Act 2013 which provides for approval of shareholders by a Special Resolution.

Hence, approval of the shareholders is solicited vide Resolution No. 07. The Board of Directors of your Company recommends the Special Resolutions as set out in Item No. 07 in the accompanied notice for approval of the Shareholders.

None of the Directors, Key Managerial Personnel and their relatives are, in any way, concerned or interested in the said resolutions either financially or otherwise, except to the extent of their equity holding in the Company.

By order of the Board  
**ABC Gas (International) Limited**

**Date:-14.08.2019**

**Place:-Mumbai**

**S.P. Shorewala**  
**Chairman**  
**DIN:-00088077**

**Registered Office:**

1, Mahesh Villa, B.G.Kher Road,  
Worli, Mumbai - 400 018

**DIRECTOR'S REPORT**

To,  
The Members,  
ABC Gas (International) Limited

Your Directors have pleasure in presenting the 39<sup>th</sup> Annual Report of your company together with the Audited Statements of Accounts for the year ended **31<sup>st</sup> March, 2019**.

**FINANCIAL SUMMARY OR HIGHLIGHTS/PERFORMANCE OF THE COMPANY (STANDALONE)**

Particulars	Standalone (Rupees)	
	2018-2019	2017-2018
Total Income	1,21,72,150	1,96,08,102
Total Expenditure	1,06,18,608	2,06,99,027
Profit/(Loss) before taxation	15,53,542	(10,90,925)
Provisions for tax	2,75,808	(4,49,143)
Profit/(Loss) after taxation	12,77,734	(6,41,782)

**BRIEF DESCRIPTION OF THE COMPANY'S WORKING DURING THE YEAR/STATE OF COMPANY'S AFFAIR**

During the year under review, the Company earned a total revenue of Rs.1,21,72,150 /- against Rs.1,96,08,102/- of the previous year. The Profit after tax incurred by the Company for the year under review profit after tax has been Rs.12,77,734/- against the loss after tax of Rs. 6,41,782/- for the previous year.

**CHANGE IN NATURE OF BUSINESS**

There is no change in the nature of business of the Company.

**TRANSFER TO RESERVES**

The Company has carried forward net profit for the year ended of Rs. 12,77,734/- to the retained earnings account in the Balance Sheet.

**MATERIAL CHANGES & COMMITMENTS**

There have been no material change and commitments affecting the financial position of the Company between which had occurred between the end of the financials year to which the financial statements relate and date of this report.

**DIVIDEND**

The Board of Directors of your Company, after considering the relevant circumstances, has decided that it would be prudent not to recommend any Dividend for the year under review.

**DIVIDEND DISTRIBUTION POLICY:**

The Securities and Exchange Board of India (SEBI) inserted Regulation 43A to Listing Obligation and Disclosure Requirements Regulation 2015, making mandatory for top 500 companies to formulate a Dividend distribution policy. However, the above regulation is not applicable to the Company.

**DEPOSITS**

Your Company has not accepted any deposits within the meaning of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014 and, as such, no amount of principal or interest was outstanding, as on the date of Balance Sheet.

**SHARE CAPITAL:-**

Yours Company Authorised Share Capital is Rs.5,00,00,000/- (Rupees Five Crores only) that is divided into 50,00,000 Equity Share of Rs. 10/- each. Presently, the paid up Equity Share Capital of the Company is Rs.1,98,00,000/- (Rupees One Crore Ninety Eight Lakhs only) divided into 19,80,000 Equity Shares of Rs.10/- each.

During the year under review, the Company has not issued any shares.

**CORPORATE GOVERNANCE:-**

In terms of Regulation 15 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, compliance relating to Corporate Governance, is not applicable for the Listed Company having paid up Equity Share Capital not exceeding Rs. 10 crores and Net worth not exceeding Rs. 25 crores, as on the last day of the previous financial year.

As your Company's paid up Equity Share Capital is not exceeding Rs. 10 crores and Net worth not exceeding Rs. 25 crores, Regulation 17 to 27 and Clauses (b) to (i) of sub-regulation (2) of regulation 46 are not applicable and do not form a part of this Annual Report.

**CORPORATE SOCIAL RESPONSIBILITY:-**

Pursuant to section 135 of Companies Act 2013, Company needs to constitute Corporate Social Responsibility Committee, if applicable. Since, the above provision of Companies Act 2013 is not applicable to your Company; Directors have not constituted the Corporate Social Responsibility Committee.

**DETAILS OF SUBSIDIARY/ASSOCIATES/JOINT VENTURE COMPANIES:-**

During the year under review, no Company has become or ceased to be a Subsidiary/Joint Venture/ Associate Company of your Company.

**PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:-**

The Company has not given any loans, guarantees or provided any security in connection to any loan, or made any investments under Section 186 of the Companies Act, 2013 during the financial year 2018-2019.

**DECLARATION BY INDEPENDENT DIRECTORS:-**

The Company has received declarations from all the Independent Directors of the Company confirming that they meet with the criteria of independence as prescribed under Section 149(6) of the Act and under Listing Regulations.

In the opinion of the Board, the Independent Directors of the Company fulfill the conditions specified in the Act and Listing Regulations and are independent of the management.

**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:-**

The particulars as required under the provisions of Section 134(3) (m) of the Companies Act, 2013 in respect of conservation of energy and technology absorption have not been furnished considering the nature of activities undertaken by the company during the year under review.

Disclosures pertaining to conservation of energy, technology absorption are not applicable to your company during the year under review.

**A. Foreign Exchange Earnings And Outgo**

Particulars	For the year ended 31 <sup>st</sup> March, 2019(INR)	For the year ended 31 <sup>st</sup> March, 2018(INR)
Earnings in Foreign Currency (Import Material)	9,63,144	1,57,89,933
Expenditure in Foreign Currency (CIF)	11,07,300	1,62,99,309

**PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES:**

The information required pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5 (1) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 regarding remuneration of Directors, Key Managerial Personnel and other related disclosures are as below:

1. The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Operating Officer, Company Secretary and ratio of the remuneration of each Director to the Median remuneration of the employees of the Company for the financial year 2018-19:

<b>Name of Director/KMP</b>	<b>Percentage increase in remuneration</b>	<b>Ratio of remuneration of each Director / KMP to Median remuneration of employees</b>
<b>Executive Directors</b>		
Satish Shymal Prasad Shorewala	N.A.	N.A.
Shyamlal Prasad Shorewala	N.A.	N.A.
Neelam Satish Shorewala	N.A.	N.A.
Rohith Satish Shorewala	N.A.	N.A.
<b>Independent Director</b>		
Dr. Paras Khimraj Gandhi	N.A.	N.A.
Arun Satyanarayan Ganeriwal	N.A.	N.A.
Chandraprakash Kesardev Singhanian	N.A.	N.A.
<b>Chief Financial Officer</b>		
Manohar P Shetage	N.A.	N.A.
<b>Company Secretary</b>		
Nidhi Vinodkumar Darak	N.A.	N.A.

2. The percentage increase in the median remuneration of employees in the financial year ended March 31, 2019: 0%
3. The number of permanent employees on the rolls of the Company:  
The Directors confirmed that your Company does not have permanent employees on roll during the financial year.
4. Average percentile increase made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof:  
Average percentage increase made in the salaries of employees other than the managerial personnel in the last financial year was 0%,
5. Affirmation that the remuneration is as per the remuneration policy of the Company:  
The Company affirm that the remuneration is as per the remuneration policy of the Company.
6. Information required under section 197(12) of the Act read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, a statement containing Details of Top Ten Employees of the Company in terms of remuneration drawn during the financial year 2018-19 is not applicable as none of the employee is drawing remuneration in excess of the limits specified in the said Rule 5(2).

**REPORTING OF FRAUDS BY AUDITORS**

As per Auditors Report, no fraud under section 143(12) of Companies Act, 2013 is reported by Auditor.

**MAINTENANCE OF COST RECORD**

Maintenance of cost records and requirement of cost audit as prescribed under the provision of Section 148(1) of the Companies Act, 2013 are not applicable to your Company.

**APPLICABILITY OF SECRETARIAL STANDARD:**

During the year under review, the Company has complied with the provisions of the applicable Secretarial Standards issued by the Institute of Companies Secretaries of India.

**CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES:**

During the financial year, your Company has entered into related party transactions. Suitable disclosures as required under AS-18 have been made in the Notes to the financial statements.

There were no materially significant related party transactions entered by the Company with Directors, Key Managerial Personnel or other persons which may have a potential conflict with the interest of the Company.

Since there were no related party transaction during the year under review except in the ordinary course of business and on arms' length basis, form AOC-2 as prescribed under section 134(3)(h) of the Companies Act, 2013 is not applicable to the Company.

**RISK MANAGEMENT POLICY:**

The Board of Directors of the Company has frame, implement, and monitor the Risk Management Policy for the Company. The Board is responsible for monitoring and reviewing formulated Risk Management Policy. The Board takes all necessary steps to identify and evaluate business risks and opportunities and take corrective steps.

**INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:**

The Company has an Internal Control System, commensurate with the size and of its operations. Internal control systems comprising of policies and procedures are designed to ensure sound management of your Company's operations, safekeeping of its assets, optimal utilizations of resources, reliability of its financial information and compliance.

Systems and procedures are periodically reviewed to keep pace with the growing size and complexity of your company's operation.

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

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

**DIRECTOR'S RESPONSIBILITY STATEMENT:**

To the best of our knowledge and belief and according to the information and explanations obtained by us, your Directors make the following statements in terms of Section 134(5) of the Companies Act, 2013:

- a) In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- b) They have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for the period;

- c) They have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) They have prepared the annual accounts on a going concern basis.
- e) They have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- f) They have devised proper system to ensure compliance with the provisions of all applicable laws and that such system were adequate and operating effectively.

#### **DETAILS OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:**

In accordance with the provisions of Section 152 of the Companies Act, 2013, Mr. Rohith Satish Shorewala (DIN: 01650221) retires by rotation at the ensuing AGM and being eligible, have offered themselves for reappointment.

During the year, Dr. Paras Khimraj Gandhi was resigned the position of Independent Director with effect from February 18, 2019 as a part of the Board, due to his health condition. Mr. Arun Ganeriwal and Mr. Chandraprakash Singhanian resigned the position of Independent Director with effect from April 1st, 2019 due to pre-occupation.

Mr. Yash Ratanlal Mardia and Mr. Akhilesh Singhal were appointed as Additional Independent Directors with effect from June 27<sup>th</sup>, 2019. A resolution seeking shareholders' approval for their appointment as Independent Director forms a part of the Notice of this Meeting.

The Board of Directors in their meeting dated 30<sup>th</sup> March 2019 has appointed Mrs. Nidhi Vinodkumar Darak as Company Secretary of yours Company.

Pursuant to the provisions of Section 203 of the Companies Act, 2013, as on 31st March, 2019, the following are the Key Managerial Personnel (KMP) of the Company:

Mr. Satish Shorewala, Managing Director, Mr. Rohit Shorewala, Whole Time Director, Mr. Manohar Shetage, Chief Financial Officer and Mrs. Nidhi Vinodkumar Darak, Company Secretary are the Key Managerial Personnel of your Company.

#### **NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS:**

The Board meets at regular intervals to discuss and decide on Company/business policies and strategies apart from other Board businesses. The Board/Committee Meetings are prescheduled and a tentative annual calendar of the Board and Committee Meetings is circulated to the Directors in advance to facilitate them to plan their schedule and to ensure meaningful participation in the meetings.

The Board of Directors of your Company met 6 Times during the year to carry the various matters. The Meetings were convened on 17<sup>th</sup> April, 2018, 30<sup>th</sup> May, 2018, 14<sup>th</sup> August, 2018, 14<sup>th</sup> November, 2018, 14<sup>th</sup> February, 2019, and 30<sup>th</sup> March, 2019 respectively.

The maximum interval between any two consecutive Board Meetings did not exceed **120** days.

Attendance of Directors at the Board Meeting is as under:

Sr. No.	Name of Directors	No. of Meetings during FY 2018-2019	
		Held	Attended
1	Mr. Shyamlal Prasad Shorewala	6	6
2	Mr. Satish Shorewala	6	6
3	Mr. Rohith Satish Shorewala	6	6
4	Mr. Chandraprakash Singhanian	6	6
5	Dr. Paras Gandhi	5	0
6	Mr. Arun Ganeriwal	6	4
7	Mrs. Neelam Satish Shorewala	6	6



**BOARD EVALUATION:**

The Board of Directors has carried out an annual evaluation of its own performance, board committees, and individual directors pursuant to the provisions of the Act and SEBI Listing Regulations.

The performance of the Board and Committee was evaluated by the board after seeking inputs from all the directors on the basis of criteria such as the board composition and structure, effectiveness of board processes, information and functioning, etc.

The Board and the Nomination and Remuneration Committee reviewed the performance of individual directors on the basis of criteria such as the contribution of the individual director to the board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc.

**POLICY ON APPOINTMENT AND REMUNERATION OF DIRECTORS AND KMP AND REMUNERATION POLICY:**

For the purpose of selection of any Director, the Nomination and Remuneration Committee identifies persons of integrity who possess relevant expertise, experience and leadership qualities required for the position. The Committee also ensures that the incumbent fulfills such criteria with regard to qualifications, positive attitude, independence, age and other criteria as laid down under the Act, Listing Regulations or other applicable laws. The Board has, on the recommendation of the Nomination and Remuneration Committee, framed a policy on the remuneration of Directors, Key Managerial Personnel and other Employees.

**AUDIT COMMITTEE:**

The Audit Committee of the Company is constituted in accordance with Section 177 of the Companies Act 2013.

The Audit Committee acts as a link among the Management, the Statutory Auditors, and the Board of Directors to oversee the financial reporting process of the Company. The Committee's purpose is to oversee the quality and integrity of accounting, auditing and financial reporting process including review of the internal audit reports and action taken report.

Composition of Audit Committee and attendance record of members for the year 2018-19.

Sr. No.	Name of Directorship	Chairman/Member	Category	No. of Meetings during FY 2018-2019	
				Held	Attended
1	Mr. Chandraprakash Singhania	Chairman	Independent	5	5
2	Mr. Satish Shorewala	Member	Executive	5	5
3	Mr. Arun Ganeriwal	Member	Independent	5	3

During the Financial Year 2018-19, 5 Meetings were held on 17<sup>th</sup> April, 2018, 30<sup>th</sup> May, 2018, 14<sup>th</sup> August, 2018, 14<sup>th</sup> November, 2018, and 14<sup>th</sup> February, 2019.

The necessary quorum was present for all the meetings.

**NOMINATION AND REMUNERATION COMMITTEE:**

In Compliance with Section 178 of the Companies Act, 2013 and Regulation 19 of the SEBI (LODR), 2015 a Nomination and Remuneration Committee of the Board is constituted. The Chairman of Committee is an Independent Director and majority of the members on the Committee are Independent Director.

Sr. No.	Name of Directorship	Chairman/Member	Category	No. of Meetings during FY 2018-2019	
				Held	Attended
1	Mr. Chandraprakash Singhania	Chairman	Non-Executive Independent Director	1	1
2	Mr. Arun Ganeriwal	Member	Non-Executive Independent Director	1	1
3	Dr. Paras Gandhi	Member	Non-Executive Independent Director	1	0

During the Financial Year 2018-19, 1 Meeting was held on 30<sup>th</sup> May, 2018.

The necessary quorum was present for the meeting.

#### **STAKEHOLDER'S RELATIONSHIP COMMITTEE:**

The stakeholder's relationship committee of the Company is constituted in accordance with Section 178 of the Companies Act 2013.

Composition of Stakeholder's Relationship Committee and attendance record of members for 2018-19.

Sr. No.	Name of Directorship	Chairman/Member	Category	No. of Meetings during FY 2018-2019	
				Held	Attended
1	Mr. Chandraprakash Singhanian	Chairman	Non-Executive Independent Director	4	4
2	Mr. Arun Ganeriwal	Member	Non-Executive Independent Director	4	4
3	Dr. Paras Gandhi	Member	Non-Executive Independent Director	4	0

During the Financial Year 2018-19, 4 Meetings were held on 30<sup>th</sup> May, 2018, 14<sup>th</sup> August, 2018, 14<sup>th</sup> November, 2018, and 14<sup>th</sup> February, 2019.

The necessary quorum was present for the meeting.

#### **VIGIL MECHANISM:**

The company has a vigil mechanism for Directors and Employees to report their concerns about unethical behaviour, actual or suspected fraud or violation of the company's Code of Conduct. The mechanism provides for adequate safeguards against victimization of Directors and employees who avail of the mechanism. In exceptional cases, Directors and employees have direct access to the Chairman of the Audit Committee.

#### **MANAGEMENT DISCUSSION AND ANALYSIS REPORT:**

The Management Discussion and Analysis Report for the year under review, as stipulated under Regulation 34 of the Listing Regulations, are presented in "Annexure A" and form an integral part of this report.

#### **STATUTORY AUDITORS AND AUDIT REPORT:**

Pursuant to the provisions of Section 139(2), and Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, as amended, M/s. B.P Kabra & Associates, Chartered Accountants (Firm Registration No. 124578W) was appointed as a Statutory Auditor of the Company in the Annual General Meeting held on 24<sup>th</sup> September, 2018 for a term of five (5) consecutive years to hold office from the conclusion of the Annual General Meeting held for the financial year 2017-18 till the conclusion of the 43<sup>rd</sup> Annual General Meeting of the Company to be held for the financial year 2023. The Company has received a certificate from the said Auditors that they are eligible to hold office as the Auditors of the Company and are not disqualified for being so appointed for the financial year 31.03.2020.

#### **STATUTORY AUDITORS' OBSERVATIONS & COMMENTS FROM BOARD:**

1. Remark: The Company has a pending balance of Rs.9500 in respect to refund of shares application money:-The Company will submit the same with the Investor Education and Protection Fund under the applicable provisions of the Companies Act.
2. Remark: Special Additional Duty (SAD) paid on import of goods before GST Act is eligible for input tax credit under GST Act subject to compliance of certain provisions under GST Act, but without compliance of such provisions under GST Act, input tax credit of Rs.2,89,498/= is availed by the company, financial effect, of any liability or litigation, if any, arises in future, are not ascertainable: - The Company will ensure its compliances.
3. MVAT liability of Rs. 1,96,425/= and CST liability of Rs. 2,60,924/= for financial year 2013-14 determined by assessing officer in assessment order passed, but the company has neither disputed for tax liability by filing any appeal before

Appeal authority nor paid the taxes so determined in order by AO and also not recorded as payable in the books of accounts but only shown as contingent liability in note no 30 and disclosure is made in Note no 33 (B), financial effect, of any liability or litigation, if any, arises in future, are not ascertainable:- The Company will ensure its compliances.

4. Due to non-compliances of SEBI (LODR) Regulations 6 and section 203 of the Companies Act 2013 regarding appointment of Compliance Officer and Company Secretary , the BSE has imposed penalty of Rs. 1,08,560/= , neither penalty is paid by the company nor provided as liability. It is stated in note that, the company has appointed company secretary and compliance officer with effect from 30/03/2019 and will request for and expect the waiver of liability; hence provision is not made in books: - The Company has appointed Mrs. Nidhi Vinodkumar Darak as Company Secretary and Compliance Officer with effect from 30<sup>th</sup> March 2019.
5. Due to non-compliance of (a) provision u/s. 138 of the Companies Act 2013 regarding appointment of Internal Auditor, (b) SEBI (LODR) Regulation 46 in relation of non-creation of Web site and uploading of documents on it, (c) SEBI (LODR) Regulation 47 in relation to non-publishing of notices/advertisements in newspaper , (d) SEBI (LODR) Regulation 31 (2) regarding dematerialisation of 100% promoters' shareholding, if any, liability or litigation arises in future , financial effect of such are not ascertainable:The Board will ensure its compliances..

Others remarks read with notes on financial statements referred to in the Auditors' Report are self-explanatory and do not call for any further comments.

#### **SECRETARIAL AUDITORS:**

Pursuant to the provisions of section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 the Board has re-appointed M/s. Madhukar K. Apte & Associates, Company Secretaries, as Secretarial Auditor for the financial year 31.03.2019, for conducting Secretarial Audit of your Company for the financial year 31.03.2019. The Secretarial Audit Report issued by the Secretarial Auditor M/s. Madhukar K. Apte & Associates for the financial year 31<sup>st</sup> March 2019 is annexed herewith as "Annexure B" to this Report.

The Secretarial Audit was conducted during the year by the Secretarial Auditor M/s. Madhukar K Apte & Associates, Practicing Company Secretaries. The Secretarial Auditors Report is attached as "**Annexure B**".

#### **SECRETARIAL AUDITORS' OBSERVATIONS & COMMENTS FROM BOARD:**

1. The Company has not appointed a Company Secretary as KMP as required under Section 203 of the Companies Act, 2013 and Compliance Officer as required under Regulation 6 of SEBI (LODR) Regulations, 2015. SEBI has imposed a fine of Rs. 1,08,560/- which is not yet paid by the company .- The Company has appointed Mrs. Nidhi Vinodkumar Darak as Company Secretary and Compliance Officer with effect from 30<sup>th</sup> March 2019.
2. The Company has not appointed Internal Auditor as required under section 138 of Companies Act, 2013: The Board will ensure its compliances.
3. The Company has not updated its website and uploaded the documents and information as required under the Companies Act 2013 and Regulation 46 of SEBI (LODR) Regulations 2015:- The Company is in process of updating the website.
4. The Company has not published notices in the newspaper as required under Listing Guidelines and Regulation 47 of SEBI (LODR) Regulations 2015 and as required under section 91 read with Rule 10 of Companies (Management and Administration) Rules, 2014 for closure of Register of Member. The Board will ensure its compliances.
5. The Company has refundable application money unpaid for more than 7 years and is yet to be transferred to Investor Education and Protection Fund: - The Board will ensure its compliances.
6. The company has not complied with the regulation 31(2) of SEBI (LODR) according to which 100% shareholding of promoters shall be in Demat Form:-The Board will ensure its compliances.
7. The Company has not appointed depositories for monitoring foreign investment: The Board will ensure its compliances.
8. The Company has advanced a loan of Rs. 8,00,000/- to M/s. Birla Power Solutions Ltd., and the same is doubtful for recovery. The company has filed a litigation with the proper authority for the recovery of the same:- Short Term Loans & Advances of Rs 8 Lacs given to a M/s. Birla Power Solutions Limited is overdue for recovery and Company has initiated legal proceedings against this party. In view of the pending litigations and based on principle of prudence, Company has

not recognized any interest income on the same. Management of the Company is of the view that recovery of entire amount is doubtful and hence provision for above receivables is necessary at this stage and hence provision for doubtful debts is made in Profit & Loss Account.

**EXTRACT OF ANNUAL RETURN:**

An extract of Annual Return as on the financial year ended on 31<sup>st</sup> March, 2019 in Form No. MGT-9 as required under section 92(3) of the Companies Act 2013 read with Rule 12(1) of Companies (Management and Administration) Rules, 2014 is set out as an “**Annexure C**” to the Directors Report and Forms part of the Annual Report. The same is also available on your Company’s website [www.abcgas.co.in](http://www.abcgas.co.in).

**OTHER DISCLOSURES:**

- Your Company has not issued any shares with differential voting.
- There was no revision in the financial statements.
- Your Company has not issued any sweat equity shares.

**DISCLOSURES UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013:**

The disclosures under Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 is not applicable to the Company.

The Company is committed to provide a safe & conducive work environment to its employees. Though the Company is not required to adopt the policy, however it ensures the safety of its women employees at workplace. During the year under review, no case of sexual harassment was reported.

**PREVENTION OF INSIDER TRADING:**

The Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company. The Code requires pre-clearance for dealing in the Company’s shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. The Board is responsible for implementation of the Code.

All Board Directors and the designated employees have confirmed compliance with the Code.

**ACKNOWLEDGEMENT**

The Board of Directors wishes to express their deep sense of appreciation and gratitude to all Employees, Bankers, Stakeholders, Business Associates, and Clients for their assistance, support and co-operation extended by them. In the end, the Directors, wish to sincerely thank all shareholders for their continued support.

By order of the Board  
**ABC Gas (International) Limited**

**Date:-14.08.2019**

**Place:-Mumbai**

**S.P. Shorewala**  
**Chairman**  
**DIN:-00088077**

**Registered Office:**

1, Mahesh Villa, B.G.Kher Road,  
Worli, Mumbai - 400 018

## Annexure to the Board's Report

## "Annexure A"

**MANAGEMENT DISCUSSION & ANALYSIS REPORT**

Your Directors have pleasure in presenting the Management Discussion and Analysis report for the year ended on 31<sup>st</sup> March 2019.

**OPERATING AND FINANCIAL PERFORMANCE:**

Operating & Financial performance has been given in details in Directors Reports.

**INDUSTRY STRUCTURE, DEVELOPMENT:**

The Company is operating in Copper. It continues to build strong relationships with key customers.

**OPPORTUNITIES AND THREATS:**

The fundamental growth drivers of the country's economy as well as Copper industry continue to remain strong despite the pressures of slowdown and inflationary conditions prevalent till recently in the nation and also globally. The Copper Industry in the country is continuously attracting investments from domestic and foreign investors. The Indian economy is expected to grow between 7% to 8 % during this fiscal. The threats to the segments in which the company operates are volatility in Exchange rate & Metal Prices.

**SEGMENT-WISE PERFORMANCE & PRODUCT-WISE PERFORMANCE:**

The Company is into trading of various copper items. The Company is doing trading business in Copper & Copper Alloys Products. Company is looking for trying to explore the manufacturing activities for production of copper items.

**BUSINESS OUTLOOK:**

General outlook for the company for the year 2018-2019 is not encouraging. The turnover of the company has decreased from Rs.1,57,90,455/- to Rs.76,79,049/-. The Company has made profit of Rs. 12,77,734/- during the year.

**RISKS AND CONCERNS:**

Your company is concerned about the wide Fluctuations in Copper prices globally and locally and increase in foreign exchange value.

**INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY:**

The Company has proper and adequate internal control system commensurate with the size of the business operations geared towards achieving efficiency in its various business operations, safeguarding assets, optimum utilization of resources and compliance with statutory regulations. The management is ensuring an effective internal control system to safeguard the assets of the company. Efforts for continued improvement of internal control system are being consistently made in this regard.

**FINANCIAL PERFORMANCE WITH RESPECT TO OPERATION PERFORMANCE:**

The Company will see envisage its growth in future because of continuous hard core efforts put by your Company's management to achieve the pace of development, towards which your company marches. However much requires doing than what has been done due to huge brought forward losses.

**MATERIAL DEVELOPMENTS IN HUMAN RESOURCES/INDUSTRIAL RELATIONS FRONT INCLUDING NUMBER OF PEOPLE EMPLOYED:**

The Company values and appreciates the dedication and drive with which its employees have contributed towards improved performance during the year under review.

**CAUTIONARY STATEMENT:**

Statements in the Management Discussion and Analysis describing the Company's objectives, projections, and estimates

and expectations may be 'forward looking statements' within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include economic conditions affecting demand/supply and price conditions in the domestic and overseas markets in which the Company operates changes in the Government regulations, tax laws, and other statutes and other incidental factors.

By order of the Board  
**ABC Gas (International) Limited**

**Date:-14.08.2019**

**Place:-Mumbai**

**S.P. Shorewala**  
**Chairman**  
**DIN:-00088077**

**Registered Office:**

1, Mahesh Villa, B.G.Kher Road,  
Worli, Mumbai - 400 018



## Annexure “B” to the Boards Report

FORM NO. MR-3

## SECRETARIAL AUDIT REPORT

For The Financial Year Ended On 31<sup>st</sup> March, 2019

(Pursuant to section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies  
(Appointment and Remuneration Personnel) Rules, 2014)

To,  
The Members,  
**ABC GAS (INTERNATIONAL) LIMITED**  
**MUMBAI**  
**CIN: L27100MH1980PLC022118**

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2019, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company during the audit period according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under ;
- (ii) The Securities Contracts (Regulation) Act, 1956 (SCRA) and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines, to the extent applicable, prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') viz.:
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; ;(Not applicable to the Company during the Audit Period);
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;(Not applicable to the Company during the Audit Period);
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulation, 2009; (Not applicable to the Company during the Audit Period);
  - (h) The Securities and Exchange Board of India (Buyback of Securities), Regulation, 2008; (Not applicable to the Company during the Audit Period);
  - (i) The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulation, 2015; The company has not dealt with any securities during the year under review and hence no comments on the above.
- (vi) Other Laws applicable specifically to the Company:
- Presently, the company is carrying on only trading activities and therefore, no other specific law is applicable to the company.

We have also examined compliance with the applicable clauses of the following:

1. Secretarial Standards issued by The Institute of Company Secretaries of India on meetings of the Board of Directors and General Meeting.
2. Listing Agreements entered into by the Company with the Stock Exchange:

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

1. *The Company has not appointed a Company Secretary as KMP as required under Section 203 of the Companies Act, 2013 and Compliance Officer as required under Regulation 6 of SEBI (LODR) Regulations, 2015. SEBI has imposed a fine of Rs. 1, 08,560 (for quarter ended March 2019), which is not yet paid by the company.*
2. *The Company has not appointed Internal Auditor as required under section 138 of Companies Act, 2013.*
3. *The Company has not updated its website and uploaded the documents and information as required under the Companies Act 2013 and Regulation 46 of SEBI (LODR) Regulations 2015.*
4. *The Company has not published notices in the newspaper as required under Listing Guidelines and Regulation 47 of SEBI (LODR) Regulations 2015 and as required under section 91 read with Rule 10 of Companies (Management and Administration) Rules, 2014 for closure of Register of Member.*
5. *The Company has refundable application money unpaid for more than 7 years and is yet to be transferred to Investor Education and Protection Fund.*
6. *The company has not complied with the regulation 31(2) of SEBI (LODR) according to which 100% shareholding of promoters shall be in Demat Form.*
7. *The Company has not appointed depositories for monitoring foreign investment.*
8. *The company has given a loan of Rs.8,00,000/- to M/s. Birla Power Solutions Ltd., which is Doubtful for recovery. The company has filed a litigation with the proper authority for its Recovery.*

We have not examined Compliance with applicable Financial Laws, like Direct and Indirect Tax Laws, since the same have been subject to review by statutory financial Audit and other designated professionals.

We further report that,

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

Adequate notice is given to all the directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance.

As per the minutes of the meetings duly recorded and signed by the chairman, the decisions of the Board were Unanimous and no dissenting views have been recorded.

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

We further report that during the audit period, no specific event /action having major bearing on the Company's affair in pursuance to the above referred laws, rules, regulations, guidelines etc referred to above.

**For M/S. Madhukar K. Apte & Associates  
Practicing Company Secretaries**

**Madhukar K. Apte  
Proprietor  
FCS 8147 / CP No. 8674**

**Date:-14.08.2019**

**Place:-Mumbai**

**ANNEXURE – 1**

To,  
The Members,  
**ABC GAS (INTERNATIONAL) LIMITED**  
**MUMBAI**  
**CIN: L27100MH1980PLC022118**

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

1. It is management's responsibility to identify the Laws, Rules, Regulations, Guidelines and Directions which are applicable to the Company depending upon the industry in which it operates and to comply and maintain those records with same in letter and in spirit. Our responsibility is to express an opinion on those records based on our audit.
2. I have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the process and practices I followed provide a reasonable basis for our opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, I have obtained the Management's Representation about the compliance of Laws, Rules, Regulations, Guidelines and Directions and happening events etc.
5. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For M/S. Madhukar K. Apte & Associates**  
**Practicing Company Secretaries**

**Madhukar K. Apte**  
**Proprietor**  
**FCS 8147 / CP No. 8674**

**Date:-14.08.2019**

**Place:-Mumbai**

## Annexure "C" to the Boards Report

## FORM NO. MGT 9

## EXTRACT OF ANNUAL RETURN

As on financial year ended on 31.03.2019

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

## I. REGISTRATION &amp; OTHER DETAILS:

i)	CIN	L27100MH1980PLC022118
ii)	Registration Date	17.01.1980
iii)	Name of the Company	ABC GAS (INTERNATIONAL) LIMITED
iv)	Category/Sub-category of the Company	Company Limited by Share (Indian Non-Government Company)
v)	Address of the Registered office & contact details	1, Mahesh Villa, B.G.Kher Road, Worli, Mumbai – 400018 Tel: <b>022- 24935508</b>
vi)	Whether listed company	Yes
vii)	Name, Address & contact details of the Registrar & Transfer Agent, if any.	M/s. SHAREX DYNAMICS (INDIA) PVT.LTD. C 101, 247 Park, LBS Marg, Vikhroli West, Mumbai - 400083. Tel:- 28515606 Email: sharexindia@vsnl.com

## II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
A.	Copper Pipe / Tube, Copper Fittings, System Tubing for Acr	46610	100

## III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES: Not Applicable

SN	Name & Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associates	% of shares held	Applicable Section
1	N.A.	N.A.	N.A.	N.A.	N.A.

## IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

## a) Category-wise Share Holding:

Category of Shareholders	No. of Shares held at the beginning of the year 01/04/2018				No. of Shares held at the end of the year 31/03/2019				% Change during the year
A. Promoters									
(1) Indian									
a) Individual/ HUF	652423	200	652623	32.961	652123	100	652223	32.941	-0.020
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	-	-	-	-	-	-	-	-	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A)	652423	200	652623	32.961	652123	100	652223	32.941	-0.020
B. Public Shareholding									
1. Institutions	-	-	-	-	-	-	-	-	-
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	-	-	-	-	-	-	-	-	-
2. Non-Institutions	-	-	-	-	-	-	-	-	-
a) Bodies Corp.									
i) Indian	101167	11400	112567	5.685	103892	11400	115292	5.823	0.138
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals	-	-	-	-	-	-	-	-	-
i) Individual shareholders holding nominal share capital up to Rs. 1 lakh	143682	850716	994398	4.771	30100	63750	93850	4.740	-0.031
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	0	42600	42600	47.603	128607	815066	943673	47.660	0.057
c) Others (specify)	-	-	-	-	-	-	-	-	-
Non Resident Indians	941	174460	175401	8.859	946	170810	171756	8.675	-0.184
Overseas Corporate Bodies	-	-	-	-	-	-	-	-	-
Foreign Nationals	-	-	-	-	-	-	-	-	-
Clearing Members	1034	-	1034	0.052	0	1029	1029	0.052	0.00
Trusts/HUF	1377	-	1377	0.070	2177	-	2177	0.110	0.040
Foreign Bodies - D R	-	-	-	-	-	-	-	-	-
Sub-total (B)(2):-	248201	893316	1327377	67.040	265722	1062055	1327777	67.059	0.020
Total Public Shareholding (B)=(B)(1)+ (B)(2)	248201	893316	1327377	67.040	265722	1062055	1327777	67.059	0.020
C. Shares held by Custodian for GDRs & ADRs									
Grand Total (A+B+C)	900624	893516	1980000	100.00	917845	1062155	1980000	100.00	0



## ii) Shareholding of Promoter:

SI No.	Shareholder's Name	Shareholding at the beginning of the year 01/04/2018			Share holding at the end of the year 31/03/2019			% change share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Shyamal Prasad Shorewala	246600	12.455	0	246200	12.434	0	-0.021
2	Satish S Shorewala (Huf)	22900	1.157	0	22900	1.157	0	0
3	Neelam Shorewala	80800	4.081	0	80800	4.081	0	0
4	Vidhi Rohith Shorewala	73173	3.696	0	73173	3.696	0	0
5	Nishu S Shorewala	2600	0.131	0	2600	0.131	0	0
6	Santosh Shorewala	100	0.005	0	100	0.005	0	0
7	Shyamal P Shorewala (Huf)	41850	2.114	0	41850	2.114	0	0
8	Rohit S Shorewala	87400	4.414	0	86400	4.364	0	-0.05
9.	Satish Shorewala	97200	4.909	0	97200	4.909	0	0
10.	Rohith Shorewala (Huf)	0	0	0	1000	0.051	0	0

## iii) Change in Promoters' Shareholding:- (No Change)

SI No.	Shareholder's Name	Shareholding at the beginning of the year 01/04/2018			Shareholding at the end of the year 31/03/2019			% total shares of the company
		No. of Shares at the beginning/ end of the year	% of total shares of the company	Date	Increasing Decreasing in shareholding	Reason	No. of Shares	
1.	SHYAMAL PRASAD SHOREWALA	246600	12.455	01-04-2018	-	-	-	-
	-	-	-	12-10-2018	-400	Sold	246200	-0.021
	Closing Balance			31-03-2019			246200	12.434
2.	ROHIT S SHOREWALA	87400	4.414	01-04-2018	-	-	-	-
	Closing Balance			12-10-2018	-1000	Sold	86400	-0.05
							86400	4.364

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

Sr. No	Name	No. of Shares at the beginning (01-04-2018) / end of the year (31-03-2019)	% of total Shares of the company	Date	Increasing / Decreasing in shareholding	Reason	No. of Shares	% of total Shares of the company
1	3A CAPITAL SERVICES LIMITED	98707	4.985	01-04-2018	-	-	-	-
	Closing Balance	-	-	31-03-2019	-	No Change	98707	4.985
2	NARESH K. AGGARWALA	42600	2.152	01-04-2018	-	-	-	-
	Closing Balance	-	-	31-03-2019	-	No Change	42600	2.152
3	GORDHAN PRABHUDAS TANWANI	18066	0.912	01-04-2018	-	-	-	-
	Closing Balance	-	-	31-03-2019	-	No Change	18066	0.912
4	DAMYANTI JIVANDAS GOKALGANDHI	12645	0.639	01-04-2018	-	-	-	-
				27-04-2018	-200	Sold	12445	0.0101
				26-10-2018	-1	Sold	12444	0.00005
				25-01-2019	-310	Sold	12134	0.0157
				01-02-2019	-50	Sold	12084	0.0025
				08-02-2019	-50	Sold	12034	0.0025
	Closing Balance	-	-	31-03-2019	-	-	12034	0.608
5	MANISHAASHISH GOENKA	10900	0.551	01-04-2018	-	-	-	-
	Closing Balance	-	-	31-03-2019	-	No Change	10900	0.551
6	ABEYANCE CASES (PROMOTERS)	10250	0.518	01-04-2018	-	-	-	-
	Closing Balance	-	-	31-03-2019	-	No Change	10250	0.518
7	ST.HELEN'S NOMINEES INDIA PVT.LTD	8000	0.404	01-04-2018	-	-	-	-
	Closing Balance	-	-	31-03-2019	-	No Change	8000	0.404
8	PRATIK RAJENDRA GANDHI	6250	0.316	01-04-2018	-	-	-	-
	Closing Balance	-	-	31-03-2019	-	No Change	6250	0.316
9	PATEL SURYAKANT AMBALAL	5800	0.293	01-04-2018	-	-	-	-
	Closing Balance	-	-	31-03-2019	-	No Change	5800	0.293
10.	SHYAMLAL H THAKUR	4900	0.247	01-04-2018	-	-	-	-
		-	-	31-03-2019	-	No Change	4900	0.247

## iv) Shareholding of Directors and Key Managerial Personnel:

SN	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	SHYAMAL PRASAD SHOREWALA	246600	12.455		
	Sold on 12.10.2018	-400	-0.021	246200	12.434
	31.03.2019			<b>246200</b>	<b>12.434</b>
2.	ROHIT S SHOREWALA	87400	4.414		
	Sold on 12.10.2018	-1000	-0.05	86400	4.364
	31.03.2019			<b>86400</b>	<b>4.364</b>

## V) INDEBTEDNESS -Indebtedness of the Company including interest outstanding/accrued but not due for payment :

	Secured Loans excluding deposits	*Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year on 01/04/2018				
i) Principal Amount	0.00	1,33,15,000	0.00	1,33,15,000
ii) Interest due but not paid	0.00	0.00	0.00	0.00
iii) Interest accrued but not due	0.00	0.00	0.00	0.00
Total (i+ii+iii)	<b>0.00</b>	<b>1,33,15,000</b>	<b>0.00</b>	<b>1,33,15,000</b>
Change in Indebtedness during the financial year				
* Addition	0.00	44,70,000	0.00	1,51,35,000
* Reduction	0.00	76,35,000	0.00	1,85,47,800
Net Change	<b>0.00</b>	<b>(1,16,5000)</b>	<b>0.00</b>	<b>(3,41,2800)</b>
Indebtedness at the end of the financial year 31/03/2019				
i) Principal Amount	0.00	1,01,55,000	0.00	1,01,55,000
ii) Interest due but not paid	0.00	0.00	0.00	0.00
iii) Interest accrued but not due	0.00	0.00	0.00	0.00
Total (i+ii+iii)	<b>0.00</b>	<b>1,01,55,000</b>	<b>0.00</b>	<b>1,01,55,000</b>

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-****A. Remuneration to Managing Director, Whole-time Directors and/or Manager:**

There is no remuneration paid during the period under review.

SN	Particulars of Remuneration	Name of MD/WTD/ Manager				Total Amount
1	Gross salary	-	-	-	-	-
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	-	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-	-	-
2	Stock Option	-	-	-	-	-
3	Sweat Equity	-	-	-	-	-
4	Commission- as % of profit- others, specify...	-	-	-	-	-
5	Others, please specify	-	-	-	-	-
	Total (A)	-	-	-	-	-
	Ceiling as per the Act	-	-	-	-	-

**B. Remuneration to other directors :**

There is no remuneration paid during the period under review.

SN	Particulars of Remuneration	Name of Directors				Total Amount
1	Independent Directors	-	-	-	-	-
	Fee for attending board committee meetings	-	-	-	-	-
	Commission	-	-	-	-	-
	Others, please specify	-	-	-	-	-
	Total (1)	-	-	-	-	-
2	Other Non-Executive Directors	-	-	-	-	-
	Fee for attending board committee meetings	-	-	-	-	-
	Commission	-	-	-	-	-
	Others, please specify	-	-	-	-	-
	Total (2)	-	-	-	-	-
	Total (B)=(1+2)	-	-	-	-	-
	Total Managerial Remuneration	-	-	-	-	-
	Overall Ceiling as per the Act	-	-	-	-	-

**C. Remuneration to key managerial personnel other than MD/MANAGER/WTD :**

There is no remuneration paid during the period under review.

	Particulars of Remuneration	Key Managerial Personnel			
		CEO	CS	CFO Manohar Shetage	Total
1	Gross salary	-	-	2,65,500	2,65,500
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-
	- as % of profit	-	-	-	-
	others, specify...	-	-	-	-
5	Others, please specify	-	-	-	-
	<b>Total</b>	-	-	2,65,500	2,65,500

**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:**

There were no penalties / punishment / compounding of offences for year ended 31<sup>st</sup> March, 2019

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

By order of the Board  
ABC Gas (International) Limited

Date:-14.08.2019

Place:-Mumbai

S.P. Shorewala  
Chairman  
DIN:-00088077

Registered Office:

1, Mahesh Villa, B.G.Kher Road,  
Worli, Mumbai - 400 018

## Independent Auditor's Report

To the Members of ABC Gas (International) Limited

### Report on the Audit of Standalone Financial Statements

#### Opinion:

We have audited the accompanying standalone financial statements of ABC Gas (International) Limited. ('the Company'), which comprise the Balance Sheet as at 31 March 2019, the statement of profit and loss, cash flow statement and the statement of changes in equity for the year ended on that date, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act 2013, ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

#### Basis for opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

#### Emphasis of Matters

We draw attention to following matters

- i) As stated in Note no 33 (A), Special Additional Duty (SAD) paid on import of goods before GST Act is eligible for input tax credit under GST Act subject to compliance of certain provisions under GST Act, but without compliance of such provisions under GST Act, input tax credit of Rs.2,89,498/= is availed by the company, financial effect, of any liability or litigation, if any, arises in future, are not ascertainable for us,
- ii) As stated in Note no 33 (B) MVAT liability of Rs. 1,96,425/= and CST liability of Rs. 2,60,924/= for financial year 2013-14 determined by assessing officer in assessment order passed, but the company has neither disputed for tax liability by filing any appeal before Appeal authority nor paid the taxes so determined in order by AO and also not recorded as payable in the books of accounts but only shown as contingent liability in note no 30 and disclosure is made in Note no 33 (B), financial effect, of any liability or litigation, if any, arises in future, are not ascertainable for us,
- iii) As stated in Note no 33 (C) Due to non compliances of SEBI (LODR) Regulations 6 and section 203 of the Companies Act 2013 regarding appointment of Compliance Officer and Company Secretary, the BSE has imposed penalty of Rs. 1,08,560/=-, neither penalty is paid by the company nor provided as liability. It is stated in note that, the company has appointed company secretary and compliance officer with effect from 30/03/2019 and will request for and expect the waiver of liability, hence provision is not made in books,
- iv) Due to non compliance of (a) provision u/s. 138 of the Companies Act 2013 regarding appointment of Internal Auditor, (b) SEBI (LODR) Regulation 46 in relation of non-creation of Web site and uploading of documents on it, (c) SEBI (LODR) Regulation 47 in relation to non publishing of notices/advertisements in newspaper, (d) SEBI (LODR) Regulation 31 (2) regarding dematerialisation of 100% promoters' shareholding, if any, liability or litigation arises in future, financial effect of such are not ascertainable for us.

Our opinion is not modified in respect of these matters.



**Key audit matters**

Key audit matters are those matters that in our professional judgment were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

**Description of Key Audit Matters and Auditor's Response****Carrying Value of Trade Receivables**

As mentioned in note no. 8 & 35 to the standalone financial statements, total trade receivables were aggregating to Rs.2,81,73,979/= as on 31st March 2019, out of above Rs. 2,23,29,169/= were classified as significant increase in credit risk debtors. The collectability of the Company's trade receivables and the valuation of allowance for impairment, if any, of trade receivables is required a significant management judgment.

Management considers Specific factors including the age of the balance, location of customers, recent historical payment patterns, business transactions with receivables and any other available information concerning the credit worthiness of counterparties.

Management uses this information to determine whether a provision for impairment is required either for a specific transaction or for a customer's balance overall.

Accordingly, it has been determined as a key audit matter.

**Auditor's Response**

Our audit procedures included the following:

- We selected a sample of the larger trade receivable balances and understood the rationale behind management's judgment for not providing of any loss which may occur in future due to non-recoverability.
- Assessing the ageing of trade receivables, the customer's historical payment patterns, business transactions, and whether any post year-end payments had been received up to the date of completing our audit procedures.
- Reviewing the available evidence including balance confirmations, this confirms existence of the balances at the year-end.
- Considered the completeness and accuracy of the disclosures.

**Information Other than the Standalone Financial Statements and Auditor's Report thereon**

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information. We are required to report that fact. We have nothing to report in this regard.

**Management's Responsibility for the standalone Financial Statement**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India, This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities selection and application of appropriate accounting policies, making judgments and estimates that are

reasonable and prudent and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. The Board of Directors are responsible for overseeing the Company's financial reporting process.

#### **Auditor's Responsibilities for the Audit of the Standalone Financial Statements**

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit we also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern, If we conclude that a material uncertainty exists we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors report. However future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation structure and content of the standalone financial statements, including the disclosures and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe

these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act. Based on our audit we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
- d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, except as stated in note no. 26, Employee Benefits as on 31/03/2019 are not provided for on the basis of actuarial valuation as required, the impact of the same on the financial statement cannot be reasonably estimated by us.
- e) On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure A**". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:  
  
In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us :
  - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements. note no 30 under contingent liabilities of the company and note no 34 in respect of doubtful recovery of short term loan
  - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company except Rs. 9500/= in respect of share application money pending for refund and lying with company and shown under other current liabilities.,

2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "**Annexure B**" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For B.P.Kabra & Associates,  
Chartered Accountants,  
Firm's Registration No. 124578W

Place: Mumbai  
Date: 30<sup>th</sup> May 2019

Bankat P. Kabra  
Proprietor  
Membership no. 115966

**Annexure - B to the Auditors' Report**

The Annexure referred to in Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31 March 2019, we report that:

- (i) (a) According to the information and explanations given to us, the company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) The company has a program of physical verification of its fixed assets which in our opinion is reasonable having regard to the size of the company and the nature of its assets. Pursuant to the program certain fixed assets were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- (c) As informed and explained to us, the title deeds of immovable property are held in the name of the Company
- (ii) According to the information and explanations given to us, physical verification of inventory has been conducted at reasonable intervals by the management and no material discrepancies were noticed on physical verification.
- (iii) According to the information and explanations given to us the company has not granted any loans secured or unsecured to companies, firms or other parties covered under the register maintained under section 189 of the Companies Act and thus paragraph 3 (iii) of the order is not applicable.
- (iv) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of sections 185 and 186 of the Companies Act 2013 in respect of grant of loans, making investments and providing guarantees and securities, as applicable, except that in case of one such loan granted in earlier year of Rs. 8.00 lac, the company has not charged the interest on Rs. 8.00 lac due to doubtful recovery of the same, and also the provision for doubtful debts has been made and charged to profit and loss account during the last financial year.
- (v) The Company has not accepted any deposits during the year and therefore compliance with the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under are not applicable to the Company
- (vi) The Central Government has prescribed the maintenance of cost records under Section 148(1) of the Companies Act 2013, in respect of manufacturing/extrusion activity of the company. But during the year under review, the company has not undertaken any kind of manufacturing/extrusion activity and also the Company do not fall within monetary limit of maintaining cost record and carrying cost Audit hence this clause is not applicable to the Company.
- (vii) According to the information and explanations given to us, in respect of statutory dues:
  - (a) According to the records of the Company, the Company is generally regular in depositing amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including Provident Fund, Employee's State Insurance, Income-tax, Sales-tax, GST, Service Tax, Duty of customs, Duty of excise, Value Added Tax, Cess and other material statutory dues except for some delays in such payments.
  - (b) There were no undisputed amounts payable in respect statutory dues like Provident Fund, Employee's State Insurance, Income-tax, Sales-tax, GST, Service Tax, Duty of customs, Duty of excise, Value Added Tax, Cess in arrears as at 31 st. March 2019, for period of more than 6 months from the date they became payable except CST assessment dues of Rs. 2,60,924/= and MVAT assessment dues of Rs. 1,96,425/= total dues of Rs. 4,57,349/= of financial year 2013-14 which are neither recognised by the company as undisputed liability in the books of accounts nor disputed by filing appeal against assessment order.
  - (c) According to the records of the Company, there are no dues outstanding of Sales Tax, GST, Income Tax, Service Tax, Custom duty, Wealth Tax, Excise duty and Cess on account of any dispute except as below

Statute	Nature of Dues	Forum Where dispute is pending	Period to which the amount relates	Total dues Amount In Rs. Lac	Part Payment	Balance O/s.
Income Tax Act 1961	Income Tax	Before ITO 6 (1)(1)	F.Y. 2007-08 (AY 08-09)	2.10	0	2.10
MVAT Act 2002	MVAT	JCIT, Nodal div. 4 Mumbai	FY 2012-13	22.52	4.44	18.08

- (viii) As per the information and explanations given to us and based on our audit, the Company has not defaulted in repayment of loans or borrowings to financial institutions, banks and government and dues to debenture holders
- (ix) The Company has not raised any money by way of initial public offer or by further public offer (including debt instruments). Further in our opinion and according to the information and the explanations given to us, term loan obtained by company during the year were, prima facie, applied by the company for the purposes for which such loans were obtained .
- (x) According to the information and explanations given to us, no fraud by the company or no material fraud on the company by it's officers or employees has been noticed or reported during the year.
- (xi) No any managerial remuneration has been paid by the company, thus this clause is not applicable
- (xii) As the Company is not "Nidhi Company" and hence reporting under clause 3(xii) of the Order is not applicable to the Company.
- (xiii) As per the information and explanation given to us, transactions with related parties have been done in compliance with provisions of Section 177 and 188 of Companies Act 2013 and have been suitably disclosed in the Financial Statement as required by the Accounting standard 18.
- (xiv) The Company has not made any preferential allotment or private placement of shares or fully or partly paid convertible debentures and hence clause 3 (xiv) of the Order is not applicable to the Company.
- (xv) As per the information and explanation provided to us, during the year the Company has not entered into any non-cash transactions with Directors or persons connected with Directors and hence paragraph 3(xv) of the Order is not applicable to the Company.
- (xvi) The company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For B.P.Kabra & Associates,  
Chartered Accountants,  
Firm's Registration No. 124578W

Place: Mumbai  
Date:30<sup>th</sup> May 2019

Bankat P. Kabra  
Proprietor  
Membership no. 115966

## **Annexure - A to the Auditors' Report**

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

We have audited the internal financial controls over financial reporting of ABC Gas (International) Limited ("the Company") as of 31 March 2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

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

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

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

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

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

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

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



degree of compliance with the policies or procedures may deteriorate.

**Emphasis of Matter**

According to the information and explanations given to us and based on our audit, the following weakness/non compliances has been identified as at March 31, 2019 :

1. The company has to improve internal control system over maintenance of cash balance in hand to avoid maintenance of heavy cash balance which is not in commensurate with the size and nature of business.

**Opinion**

In our opinion, to the best of our information and according to the explanations given to us, except as matter stated in "Emphasis of Matter", the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India". For B.P.Kabra & Associates,

**For B.P.Kabra & Associates,  
Chartered Accountants,  
Firm's Registration No. 124578W**

**Place: Mumbai  
Date:30/05/2019**

**Bankat P. Kabra  
Proprietor  
Membership no. 115966**

**BALANCE SHEET AS ON 31ST MARCH 2019**

CIN : L27100MH1980PLC022118

(Amount In Rs)

PARTICULARS	Note No.	AS AT 31ST MARCH 2019	AS AT 31ST MARCH 2018
<b>I. ASSETS</b>			
<b>(1) Non-Current Assets</b>			
(a) Property, Plant and Equipment	4	20,62,048	23,83,009
(b) Other Intangible Assets	4	1,09,158	1,22,268
(c) Financial Assets,			
(i) Investments	5	8,47,964	8,47,964
(ii) Others	6	96,375	84,725
		<b>31,15,545</b>	<b>34,37,966</b>
<b>(2) Current Assets</b>			
(a) Inventories	7	1,83,35,317	2,36,69,457
(b) Financial Assets			
(i) Trade receivables	8	2,81,73,979	3,72,43,124
(ii) Cash & Cash equivalents	9	5,91,082	5,00,592
(iii) Loans	10	-	-
(c) Current Tax Assets (Net of Provision)	11	5,04,000	6,42,000
(d) Other Current Assets	12	5,12,524	11,26,342
		<b>4,81,16,902</b>	<b>6,31,81,515</b>
<b>TOTAL ASSETS</b>		<b>5,12,32,447</b>	<b>6,66,19,481</b>
<b>I. EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
(a) Equity Share Capital	13	1,98,00,000	1,98,00,000
(b) Other Equity	14	9,69,093	(3,08,641)
		<b>2,07,69,093</b>	<b>1,94,91,359</b>
<b>LIABILITIES</b>			
<b>(1) Non-Current Liabilities</b>			
(a) Deferred tax Liabilities (Net)	15	72,477	96,669
		<b>72,477</b>	<b>96,669</b>
<b>(2) Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	16	1,01,55,000	1,33,15,000
(ii) Trade Payables	17		
'- Due to MSME		1,18,800	81,000
'- Due to Others		1,86,84,955	3,20,72,118
(b) Other Current liabilities	18	14,32,122	15,63,335
		<b>3,03,90,877</b>	<b>4,70,31,453</b>
<b>TOTAL EQUITIES AND LIABILITIES</b>		<b>5,12,32,447</b>	<b>6,66,19,481</b>

Notes To Accounts including Significant Accounting Policy

1-36

As Per Our Report Of Even Date Attached

For **B.P.Kabra & Associates**  
Chartered Accountants  
Firm Registration No. 124578W

(Bankat P Kabra)  
Proprietor  
Membership Number :115966

Place : Mumbai  
Date: 30/05/2019

For and on behalf of the Board of Directors

**S.P. Shorewala**  
(Chairman)  
DIN : 00088077

**Satish S. Shorewala**  
(Managing Director)  
DIN : 00055358

**Nidhi V.Darak**  
(Company Secretary)  
M No. 28140

**Rohith S.Shorewala**  
(Director)  
DIN : 01650221

**Manohar Shetage**  
(Chief Financial Officer)

**STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED ON 31ST MARCH 2019**

(Amount In Rs)

<b>PARTICULARS</b>	<b>Note No.</b>	<b>FOR THE YEAR 2018- 2019</b>	<b>FOR THE YEAR 2017- 2018</b>
<b>I. ASSETS</b>			
I. Revenue From Operations	19	76,79,049	1,57,90,455
II. Other Income	20	44,93,101	38,17,647
<b>III. TOTAL INCOME (I+II)</b>		<b>1,21,72,150</b>	<b>1,96,08,102</b>
<b>IV. EXPENSES</b>			
Cost Of Raw Materials Consumed	21	-	2,12,560
Purchase Of Stock In Trade		11,07,300	1,62,99,309
Changes in Inventories of Finished Goods,	22	53,34,140	(25,68,655)
Employees Benefits Expenses	23	9,68,674	11,24,103
Finance Costs	24	17,443	40,211
Depreciation & Amortization Expenses	4	3,32,032	3,62,439
Other Expenses	25	28,59,019	52,29,060
<b>Total Expenses (IV)</b>		<b>1,06,18,608</b>	<b>2,06,99,027</b>
<b>V. Profit Before Exceptional Items &amp; Taxes (III-IV)</b>		<b>15,53,542</b>	<b>(10,90,925)</b>
<b>VI. Exceptional Items</b>		-	-
<b>VII. Profit Before Taxes (V-VI)</b>		<b>15,53,542</b>	<b>(10,90,925)</b>
<b>VIII. Tax Expenses</b>			
(1) Current taxes		3,00,000	-
(2) Short/(Excess) Provision Of Earlier Year		-	(4,29,865)
(3) Deferred taxes		(24,192)	(19,278)
<b>IX. Net Profit After Taxes</b>		<b>12,77,734</b>	<b>(6,41,782)</b>
<b>X. Other Comprehensive Income</b>			-
<b>XI. Profit For The Year</b>		<b>12,77,734</b>	<b>(6,41,782)</b>
<b>Earning Per Share</b>			
Basic & Diluted		0.65	(0.32)

**Notes To Accounts including Significant Accounting Policy**

1-36

**As Per Our Report Of Even Date Attached**

For **B.P.Kabra & Associates**  
Chartered Accountants  
Firm Registration No. 124578W

(Bankat P Kabra)  
Proprietor  
Membership Number :115966

Place : Mumbai  
Date: 30/05/2019

**For and on behalf of the Board of Directors**

**S.P. Shorewala**  
(Chairman)  
DIN : 00088077

**Satish S. Shorewala**  
(Managing Director)  
DIN : 00055358

**Nidhi V.Darak**  
(Company Secretary)  
M No. 28140

**Rohith S.Shorewala**  
(Director)  
DIN : 01650221

**Manohar Shetage**  
(Chief Financial Officer)

**Cash Flow Statement for the year ended 31st March 2019**

	<b>31.03.2019</b>	<b>31.03.2018</b>
<b>A) Cash Flow from operating activities :</b>		
Net profit/ (loss) before tax as per Profit & Loss A/c	<b>15,53,542</b>	<b>(10,90,925)</b>
<b>Items Adjustment For:</b>		
Depreciation	3,32,032	3,62,439
Loss on Discard of Asset	2,039	-
Provision for doubtful debts	-	800,000
Godown Compensation	(44,70,000)	(35,70,000)
Interest Income	(22,800)	(62,876)
Operating Profit/Loss Before Working Capital Changes	<b>(26,05,187)</b>	<b>(35,61,362)</b>
<b>Adjustment for Working Capital Changes</b>		
Trade Receivables	90,69,145	45,08,380
Movement in Current Liabilities	(1,34,80,576)	(3,11,268)
Inventories	53,34,140	(23,56,095)
Movement in Loans, Advance & Other Assets	6,13,818	10,11,969
Cash Generated from Changes in Working Capital	<b>15,36,527</b>	<b>28,52,986</b>
Net cash from operating Activities	<b>(10,68,660)</b>	<b>(7,08,376)</b>
Income Tax Paid	<b>(1,62,000)</b>	<b>1,71,534</b>
	<b>(12,30,660)</b>	<b>(5,36,842)</b>
<b>B) Cash Flow from Investing Activities:</b>		
Purchase of Fixed Assets	-	(24,560)
Interest Income	22,800	62,876
Decrease in Long term Deposits	(11,650)	3,07,320
Godown Compensation	44,70,000	35,70,000
Net Cash from Investing Activities	<b>44,81,150</b>	<b>39,15,636</b>
<b>C) Cash Flow from Financing Activities.</b>		
Secured Loan Received	-	-
Unsecured Loan Received	(31,60,000)	(34,12,800)
Net Cash from / used in Financing Activities	<b>(31,60,000)</b>	<b>(34,12,800)</b>
<b>Net (Decrease)/Increase in Cash &amp; Cash Equivalent (A+B+C)</b>	90,490	(34,006)
Opening Balance of cash & cash Equivalents	5,00,592	534,598
Closing Balance of Cash & Cash Equivalents	<b>5,91,082</b>	<b>500,592</b>

**Notes To Accounts including Significant Accounting Policy**

1-36

**As Per Our Report Of Even Date Attached**

For **B.P.Kabra & Associates**  
Chartered Accountants  
Firm Registration No. 124578W

(Bankat P Kabra)  
Proprietor  
Membership Number :115966

Place : Mumbai  
Date: 30/05/2019

**For and on behalf of the Board of Directors**

**S.P. Shorewala**  
(Chairman)  
DIN : 00088077

**Nidhi V.Darak**  
(Company Secretary)  
M No. 28140

**Satish S. Shorewala**  
(Managing Director)  
DIN : 00055358

**Rohith S.Shorewala**  
(Director)  
DIN : 01650221

**Manohar Shetage**  
(Chief Financial Officer)

## STATEMENT OF CHANGE IN EQUITY FOR THE YEAR ENDED ON 31ST MARCH 2019

**(A) EQUITY SHARE CAPITAL**

(Refer Note No.-13)

Particulars	No of shares	Amount
Equity Shares of Rs.10/- each issued, subscribed and fully paid		
<b>Balance as at 1st April 2018</b>	19,80,000	1,98,00,000
Change in equity share capital	-	-
<b>Balance as at 31st March 2019</b>	19,80,000	1,98,00,000

**(B) OTHER EQUITY**

(Refer Note No.-14)

Particulars	Reserves & surplus			Other Comprehensive Income	Total Other Equity
	Share Premium	Revaluation Reserve	Retained Earnings		
<b>Balance as at 31st April, 2018</b>	-	4,51,923	(7,60,564)	-	(3,08,641)
Addition During the Year	-	-	12,77,734	-	12,77,734
Deduction During the Year	-	-	-	-	-
<b>Balance as at 31st March 2019</b>	-	4,51,923	5,17,170	-	9,69,093

**As Per Our Report Of Even Date Attached**

For **B.P.Kabra & Associates**  
Chartered Accountants  
Firm Registration No. 124578W

(Bankat P Kabra)  
Proprietor  
Membership Number :115966

Place : Mumbai  
Date: 30/05/2019

**For and on behalf of the Board of Directors**

**S.P. Shorewala**  
(Chairman)  
DIN : 00088077

**Nidhi V.Darak**  
(Company Secretary)  
M No. 28140

**Satish S. Shorewala**  
(Managing Director)  
DIN : 00055358

**Rohith S.Shorewala**  
(Director)  
DIN : 01650221

**Manohar Shetage**  
(Chief Financial Officer)

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2019****Note 1- Corporate Information**

- 1.1 ABC GAS ( International ) Ltd. ("the Company") is a limited Company domiciled and incorporated in India and its shares are publicly traded on the Bombay Stock Exchange (BSE), in India. The registered office of the Company is situated at 1, Mahesh Villa, B.G.Kher Road, Worli, Mumbai - 400018.
- 1.2 Company is engaged in the business of Trading in Non Ferrous Metals.
- 1.3 The financial statements for the year ended 31st March, 2019 were approved and adopted by board of directors in their meeting held on 30th May 2019.

**Note 2- Basis of Preparation**

- 2.1 The financial statements of the Company have been prepared in accordance with Indian Accounting Standards notified under the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS).
- 2.2 The financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities, which are measured at fair value / amortised cost.
- 2.3 The financial statements are presented in Indian Rupees (Rs.), which is the Company's functional and presentation currency.

**Note 3- Significant Accounting Policies****3.1 Method of accounting:**

Method of accounting employed by the company is on historical cost basis except in case of gratuity which is accounted on cash basis.

**3.2 Use of estimates:**

The preparation of financial statements in conformity with the generally accepted accounting principles which requires estimates judgments and assumptions to be made that affect the reported amount of assets and liabilities on the date of financial statements and the reported amount of revenues and expenses during the reporting period.

Differences between the actual results and estimates are recognised in the period in which the results are known or materialized.

**3.3 Property, Plant and Equipment and Intangible Assets**

Fixed assets are stated at cost of acquisition less accumulated depreciation. Depreciation is provided on Straight Line Method as per the rates specified under Schedule II of the Companies Act, 2013. Depreciation on additions and deletions are provided on prorata basis.

On transition to Ind AS, the company has elected to continue with the carrying value of all of its property, plant and equipment recognised as on date measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives.

**Intangible Assets**

On transition to Ind AS, the company has elected to continue with the carrying value of all of intangible assets recognised as on date measured as per the previous GAAP and use that carrying value as the deemed cost of intangible assets.



**3.4 Inventories:**

Inventories are valued at cost or realizable value whichever is lower.

**3.5 Investments:**

Long term investments are stated at cost unless there is any permanent diminution in the value of investments. Short term investment at cost/ market value whichever is less.

**3.6 Revenue from Contract with Customers:**

The Company has adopted Ind AS-115 Revenue from Contracts with Customers from April 1, 2018. Under this Standard, Revenue from contract with customers is recognised when control of the goods or services are transferred to the customers at an amount that reflects the consideration at which the company expects to be entitled in exchange for those goods or services. The company has generally concluded that it is the principal in its revenue arrangements, because it typically controls the goods or services before transferring them to the customers.

**Sale of Goods:** Revenue from sale of goods is recognised at the point in time when control of the goods has been transferred to the customer, generally on delivery of the goods and there is no unfulfilled obligation that could affect the customer's acceptance of the goods. The company considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated. In determining the transaction price for the sale of goods, the company considers the effects of variable consideration, and consideration payable to the customers (if any). Sales are recorded net of duties and taxes adjusted for discount and after deducting returns, discounts and claims.

**Rent Income :** Revenue from Rent of property is booked on the accrual basis as per the agreement with the lessee.

**3.7 GST paid on acquisition of assets or on incurring expenses:**

Expenses and assets are recognised net of the amount of GST paid, except: • When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority (Ineligible input credit) , in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable. • When receivables and payables are stated with the amount of tax included. • The net amount of tax recoverable from, or payable to, the taxation authority is included as part of "Other Current Assets" or Other Current Liabilities as the case may be in the balance sheet.

**3.8 Taxes On Income:**

Current Tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961. Deferred tax is recognized for all timing differences, subject to the consideration of prudence, applying the tax rates that have been substantively enacted by the Balance Sheet date. Deferred tax assets is not provided unless certainty in future profit.

**3.9 Foreign Currency Transaction**

- i. Transactions denominated in foreign currencies are normally recorded at the exchange rate prevailing at the date of the transaction.
- ii. Monetary Items denominated in foreign currencies at the year end are restated at year end rates. In case of those items, which are covered by forward exchange contracts, the difference between the year end rate and spot rate on the date of the contract is recognized as exchange difference and transferred to dollar hedge account account as on the date of Balance Sheet and the premium paid on forward contracts has been recognized over the life of the contract.
- iii. All other exchange difference are dealt with in the profit & loss account.

**3.10 Provisions, Contingent liability and Contingent Assets:**

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past event and it is payable that there will be an outflow of resources.

Contingent liabilities are not recognised but are disclosed in the financial statements. Contingent assets are neither recognised nor disclosed in the financial statements.

**3.11 Gratuity:**

The company follows a policy of accounting for gratuity as and when it is paid and doesn't get the actuarial valuation done.

**Note 4 - PROPERTY, PLANT AND EQUIPMENT, INTANGIBLE ASSETS AND CAPITAL WORK-IN-PROGRESS**

(Amount In Rs)

Particulars	Land	Factory Building	Furniture & Fixtures	Office Equipments	Borewell	Computers	Mobile Phone	Tools & Equipments	Motor Car	Plant & machinery	Total	Software
<b>COST :</b>												
As at 1st April 2018	4,27,500	32,42,490	4,29,656	5,22,318	50,708	2,84,768	105,136	66,725	16,86,817	11,82,681	79,98,799	1,38,000
Addition	-	-	-	-	-	-	-	-	-	-	-	-
Disposals/Transfers	-	-	-	2,25,850	-	2,10,360	52,686	-	-	-	4,88,896	-
As at 31st March 2019	4,27,500	32,42,490	4,29,656	2,96,468	50,708	74,408	52,450	66,725	16,86,817	11,82,681	75,09,903	1,38,000
<b>DEPRECIATION &amp; AMORTISATION :</b>												
As at 1st April 2017	-	30,62,502	3,07,367	4,41,008	48,173	2,77,791	89,760	63,388	7,07,606	2,68,866	52,66,461	2,622
Depreciation for the year	-	2,192	21,528	36,785	-	4,435	4,516	-	2,03,989	75,884	3,49,329	13,110
Disposals	-	-	-	-	-	-	-	-	-	-	-	-
As at 31st March 2018	-	30,64,694	3,28,895	4,77,793	48,173	2,82,226	94,276	63,388	9,11,595	3,44,750	56,15,790	15,732
Depreciation for the year	-	2,192	18,596	13,745	-	-	4,516	-	2,03,989	75,884	3,18,922	13,110
Disposals	-	-	-	2,25,850	-	2,10,360	50,647	-	-	-	4,86,857	-
As at 31st March 2019	-	30,66,886	3,47,491	2,65,688	48,173	71,866	48,145	63,388	11,15,584	4,20,634	54,47,855	28,842
<b>NET BOOK VALUE :</b>												
As at 31st March 2018	427,500	1,77,796	1,00,761	44,525	2,535	2,542	10,860	3,337	7,75,222	8,37,931	23,83,009	1,22,268
As at 31st March 2019	427,500	1,75,604	82,165	30,780	2,535	2,542	4,305	3,337	5,71,233	7,62,047	20,62,048	1,09,158

**Note 5 - NON CURRENT INVESTMENTS**

(Amount In Rs)

Particulars	As at 31st March 2019		As at 1st April 2018	
<b>Trade Investments</b>				
<b>Other Investments</b>				
— In Residential Property		8,42,964		8,42,964
— Investment in Government/Trust Securities				
Kisan Vikas Patra		5,000		5,000
<b>Total</b>		<b>847,964</b>		<b>847,964</b>

**Note 6 - NON CURRENT FINANCIAL ASSETS- OTHERS**

(Amount In Rs)

Particulars	As at 31st March 2019		As at 1st April 2018	
<b>Security Deposits</b>				
With Govt & Others		96,375		84,725
<b>Total</b>		<b>96,375</b>		<b>84,725</b>

**Note 7 - INVENTORIES**

(Amount In Rs)

Particulars	As at 31st March 2019		As at 1st April 2018	
Raw Material - Manufacturing		4,95,072		4,95,072
Finished Goods- Manufacturing		2,58,377		2,58,377
Finished Goods		1,75,81,868		2,29,16,008
<b>Total</b>		<b>1,83,35,317</b>		<b>2,36,69,457</b>

**Mode of Valuation of Inventories**

- a) Raw Material: Lower of Cost or Net Realizable Value
- b) Finished Stock : Lower of Cost or Net Realizable Value

**Note 8 - CURRENT FINANCIAL ASSETS - TRADE RECEIVABLE**

(Amount In Rs)

Particulars	As at 31st March 2019		As at 1st April 2018	
1) Trade Receivables considered good-Secured	-		-	
2) Trade Receivables considered good-Un Secured	58,44,810		17,79,170	
3) Trade Receivables which have Significant increase in Credit Risk	2,23,29,169		3,54,63,954	
4) Trade Receivables credit impaired	-		-	
	2,81,73,979		3,72,43,124	
Less : Provision For Doubtful Debts	-	2,81,73,979	-	372,43,124
<b>Total</b>		<b>2,81,73,979</b>		<b>372,43,124</b>

**Note 9 - CURRENT FINANCIAL ASSETS - CASH & CASH EQUIVALENTS**

(Amount In Rs)

Particulars	As at 31st March 2019		As at 1st April 2018	
<b>Balances With Banks</b>				
In Current Accounts		1,36,524		1,61,328
<b>Cash on hand</b>		4,54,558		3,39,264
<b>Total</b>		<b>5,91,082</b>		<b>5,00,592</b>

**Note 10 - CURRENT FINANCIAL ASSETS -LOANS**

(Amount In Rs)

Particulars	As at 31st March 2019		As at 1st April 2018	
<b>Secured</b>	-		-	
<b>Unsecured, Considered Goods</b>				
— To Related Party	-		-	
— To Others*	-		-	
(i) Doubtful Advance	8,00,000		8,00,000	
(ii) Others	-		-	
	8,00,000		8,00,000	
Less: Provision for Doubtful Advance	8,00,000	-	8,00,000	-
<b>Total</b>		<b>-</b>		<b>-</b>

\*Refer Note No.- 34

**Note 11 - CURRENT TAX ASSETS (Net)**

(Amount In Rs)

Particulars	As at 31st March 2019		As at 1st April 2018	
Income Tax - Advance Tax & TDS (Net)		3,57,000		6,42,000
Income Tax - TDS Received A.Y.19-20	4,47,000			
Less - Provision for Income Tax A.Y.2019-20	3,00,000	1,47,000		
<b>Total</b>		<b>5,04,000</b>		<b>6,42,000</b>

**Note 12 - OTHER CURRENT ASSETS**

(Amount In Rs)

Particulars	As at 31st March 2019		As at 1st April 2018	
<b>Unsecured, Considered Goods</b>				
VAT Dues Paid Under Appeal		3,95,981		3,95,981
GST Receivable		68,437		4,37,386
Advance to Supplier for Goods & Expenses		-		2,25,772
Advance to Employee		20,000		23,000
Others		28,106		44,203
<b>Total</b>		<b>5,12,524</b>		<b>11,26,342</b>

**NOTE NO.13 - EQUITY SHARE CAPITAL****A. Authorised, Issued, Subscribed and Paid Up Share Capital**

Particulars	As at 31st March 2019		As at 1st April 2018	
	Number	Amount(Rs.)	Number	Amount(Rs.)
<b>Authorised Share Capital</b>				
Equity Shares of Rs.10/- each	50,00,000	5,00,00,000	50,00,000	5,00,00,000
<b>Issued, Subscribed and Paid up,</b>				
Equity Shares of Rs.10/- each fully paid up	19,80,000	1,98,00,000	19,80,000	1,98,00,000
<b>Total</b>		<b>1,98,00,000</b>		<b>1,98,00,000</b>

**B. Reconciliation of the number of share outstanding**

Particulars	As at 31st March 2019		As at 1st April 2018	
	Number	Amount(Rs.)	Number	Amount(Rs.)
Equity Share Outstanding at the beginning of period	19,80,000	1,98,00,000	19,80,000	1,98,00,000
Add: Equity Share issued during the year	-	-	-	-
Less: Share bought back during the year	-	-	-	-
Equity Share Outstanding at the end of the period	19,80,000	1,98,00,000	19,80,000	1,98,00,000

**C. Rights, Preferences and Restrictions attached to Equity Shares**

Equity Share Holder is entitled to one vote per share. 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 amount. Distribution will be in proportion to the number of equity shares held by the shareholders.

**D. Details of Equity Shareholder holding more than 5% shares:**

Name of the Shareholder	As at 31st March 2019		As at 1st April 2018	
	Number	% Of Holding	Number	% Of Holding
Shyamal Prasad Shorewala	246200	12.43%	246600	12.45%
<b>Total</b>	<b>246200</b>	<b>12.43%</b>	<b>246600</b>	<b>12.45%</b>

**NOTE NO.14 -OTHER EQUITY**

Particulars	Reserves & surplus			Other Comprehensive Income	Total Other Equity
	Share Premium	Revaluation Reserve	Retained Earnings		
<b>Balance as at 31st April, 2018</b>	-	4,51,923	(7,60,564)	-	(3,08,641)
Addition During the Year	-	-	12,77,734	-	12,77,734
Deduction During the Year	-	-	-	-	-
<b>Balance as at 31st March 2019</b>	-	4,51,923	5,17,170	-	9,69,093

**Note 15 - DEFERRED TAX LIABILITY (Net)**

(Amount In Rs)

Particulars	As at 31st March 2019		As at 1st April 2018	
Opening Balance as at 1st April		96,669		115,947
Deferred Tax Expenses Recognised in P&L		(24,192)		(19,278)
Closing Balance as at 31st March		72,477		96,669
<b>Total</b>		<b>72,477</b>		<b>96,669</b>

**Note 16 - CURRENT FINANCIAL LIABILITIES - BORROWINGS**

(Amount In Rs)

Particulars	As at 31st March 2019		As at 1st April 2018	
<b>Secured</b>				
<b>Unsecured**</b>				
A. Loan & Advances from Related Parties		1,01,55,000		1,13,15,000
B. From Others (Inter Corporate loan)		-		20,00,000
<b>Total</b>		<b>1,01,55,000</b>		<b>1,33,15,000</b>

\*\* The loan from related party and other are all payable on demand.

**Note 17 - CURRENT FINANCIAL LIABILITIES - TRADE PAYABLES**

(Amount In Rs)

Particulars	As at 31st March 2019		As at 1st April 2018	
For Goods and Expenses				
1) Outstanding due to MSME		1,18,800		81,000
2) Outstanding due to other than MSME		1,86,84,955		3,20,72,118
<b>Total</b>		<b>1,88,03,755</b>		<b>3,21,53,118</b>

**Note 18 - OTHER CURRENT LIABILITIES**

(Amount In Rs)

Particulars	As at 31st March 2019		As at 1st April 2018	
Advance From other		1,00,000		1,54,000
Security Deposit from Tenant		10,00,000		10,00,000
Share Refund*		9,500		9,500
Duties & Taxes		1,79,847		2,00,070
Payable to Employees		99,111		1,28,711
Other Payables		43,664		71,054
<b>Total</b>		<b>14,32,122</b>		<b>15,63,335</b>

\* Share Application received and pending for refund.

**NOTE NO.19- REVENUE FROM OPERATIONS**

Particulars	For Year Ended 31th March 2019 Amount(Rs.)	For Year Ended 31th March 2018 Amount(Rs.)
Revenue From Sale of Product	76,79,049	1,64,65,279
Less : Excise Duty Recovered on Sales	-	(6,74,824)
<b>Total</b>	<b>76,79,049</b>	<b>1,57,90,455</b>

**NOTE NO.20- OTHER INCOME**

Particulars	For Year Ended 31th March 2019 Amount(Rs.)	For Year Ended 31th March 2018 Amount(Rs.)
Godown Rent	44,70,000	35,70,000
Credit Balances W/ Back (Net)	301	16,689
Exchange Flactuation Gain	-	1,68,082
Interest Received I.T	22,800	62,876
<b>Total</b>	<b>44,93,101</b>	<b>38,17,647</b>

**NOTE NO.21 RAW MATERIAL CONSUMED**

Particulars	For Year Ended 31th March 2019 Amount(Rs.)	For Year Ended 31th March 2018 Amount(Rs.)
Opening Stock	4,95,071	7,07,631
Add : Purchases during the year	-	-
Less :Closing Stock	4,95,071	4,95,071
<b>Net Increase/ Decrease</b>	<b>-</b>	<b>2,12,560</b>
<b>Total</b>	<b>-</b>	<b>2,12,560</b>

**NOTE NO.22 DECREASE/ (INCREASE) IN STOCK OF FINISHED GOODS**

Particulars	For Year Ended 31th March 2019 Amount(Rs.)	For Year Ended 31th March 2018 Amount(Rs.)
Opening Finished Goods	2,31,74,385	2,06,05,730
Closing Finished Goods	1,78,40,245	2,31,74,385
<b>Net Increase/ Decrease</b>	<b>53,34,140</b>	<b>(25,68,655)</b>
<b>Total</b>	<b>53,34,140</b>	<b>(25,68,655)</b>



**NOTE NO.23- EMPLOYEE REMUNERATION AND BENEFIT**

<b>Particulars</b>	<b>For Year Ended 31th March 2019 Amount(Rs.)</b>	<b>For Year Ended 31th March 2018 Amount(Rs.)</b>
Salaries and Wages	8,43,750	10,36,875
Staff Welfare	1,24,924	87,228
<b>Total</b>	<b>9,68,674</b>	<b>11,24,103</b>

**NOTE NO.24- FINANCE COST**

<b>Particulars</b>	<b>For Year Ended 31th March 2019 Amount(Rs.)</b>	<b>For Year Ended 31th March 2018 Amount(Rs.)</b>
Interest Paid other	17,443	40,211
<b>Total</b>	<b>17,443</b>	<b>40,211</b>

## NOTE NO.25- OTHER EXPENSES

Particulars	For Year Ended 31th March 2019 Amount(Rs.)	For Year Ended 31th March 2018 Amount(Rs.)
<b>Direct Expenses</b>		
Power & Fuel	-	1,55,015
Factory Expenses	90,000	71,450
Loading Charges/ Labour Charges	-	23,545
Water Charges	1,60,003	1,07,917
	<b>2,50,003</b>	<b>3,57,927</b>
<b>Administrative Expenses</b>		
Bank Charges	4,512	27,020
Computer exp	12,050	-
Conveyance Expenses	45,896	54,417
Debit Balance Written Off	4,00,807	3,25,132
Electricity Expenses	62,518	83,867
General Tax / Sub Lettings Charges	1,89,062	3,32,600
Insurance	28,803	40,842
Interest and Late Filing Charges	19,510	-
Legal & Professional Fees	3,51,636	2,17,402
Listing and Filing Fees	2,96,619	3,01,831
Motor car Expenses	2,26,856	1,01,623
Exchange Flactuation Gain	22,932	-
Printing & Stationery	27,750	31,862
Rent Paid	-	6,75,000
Repairs & Maintenance	2,46,460	2,91,721
Telephone & Telex	56,381	1,30,158
Travelling Expenses	2,72,416	87,460
Miscellaneous & General Exp.	1,25,485	1,84,841
Provision for Doubtful Advance	-	8,00,000
Auditor Remuneration (Refer Foot Note-32(a))	60,000	60,000
Debit Balance Written Off Excise & Custome	-	8,36,257
Loss on Discard of Assets	2,039	-
	<b>24,51,732</b>	<b>45,82,033</b>
<b>Selling &amp; Distribution</b>		
Advertisement and Exhibition	1,56,634	2,63,362
Packing & Forwarding	650	25,738
	<b>1,57,284</b>	<b>2,89,100</b>
<b>Total (Other Expenses)</b>	<b>28,59,019</b>	<b>52,29,060</b>

**NOTE NO.26- GRATUITY**

Company has not got the actuarial valuation of gratuity done which is the only form of long term defined benefits to the employee. Provision of the same has been thus not provided as the amount is uncertain. The company has a policy of accounting for gratuity as and when it is paid. During the year company has paid Rs.Nil (Previous Year Rs.Nil) as gratuity.

**NOTE NO.27- SEGMENT REPORTING**

In the opinion of Management the company is engaged only in the business of trading in non ferrous metals. As such there is no Reportable Segment as per AS 17 "Segment Reporting" notified by Ministry Of Corporate Affairs".

**NOTE NO.28- TRANSACTION WITH RELATED PARTY**

Related Parties identified as per Accounting Standard 18 "Related Party Disclosures" notified by MCA

**Key Management Personnel:**

Mr. S.P.Shorewala

Mr. Satish Shorewala

Mr. Rohith Shorewala

**Relatives of Key Managerial Personnel:**

Mrs. Neelam Shorewala- Relative of Mr. Satish Shorewala

Mrs. Vidhi Shorewala- Relative of Mr. Rohith Shorewala

**Enterprises over which KMP & their relatives have significant influence**

ABC Tube Industries Ltd.,

Delta Pipe Fittings Pvt Ltd.,

Sincere Distributors Pvt Ltd.,

**Transactions with Related Parties during the Year**

Particulars	Loan taken during year	Loan repaid by Company	Purchase	Closing Balance
S.P.Shorewala	44,70,000 <i>(75,05,000)</i>	40,50,000 <i>(64,77,800)</i>	- -	38,00,000 Cr <i>(33,75,000 Cr)</i>
Satish Shorewala	- <i>(40,80,000)</i>	14,70,000 <i>(82,10,000)</i>	- -	34,00,000 Cr <i>(48,70,000 Cr)</i>
Rohith Shorewala	- <i>(10,70,000)</i>	1,15,000 <i>(11,00,000)</i>	- -	29,55,000 Cr <i>(30,70,000 Cr)</i>
Neelam Shorewala	- <i>(24,80,000)</i>	- <i>(24,80,000)</i>	- -	- -

Figures in italics represent the figures for Previous Year 2017-18.

**NOTE NO.29- EARNING PER SHARE(EPS)**

PARTICULARS		2018-19	2017-18
Net Profit Before Taxes	In Rs.	15,53,542	(10,90,925)
Provision for Taxes	In Rs.	2,75,808	(4,49,143)
<b>Profit after Taxes</b>	In Rs.	<b>12,77,734</b>	<b>(6,41,782)</b>
Equity Shares	Number	19,80,000	19,80,000
<b>Earning Per Share(Face Value Rs.10/-Each)</b>			
Basic	Rs./ Share	<b>0.65</b>	<b>(0.32)</b>
Diluted	Rs./ Share	<b>0.65</b>	<b>(0.32)</b>

**NOTE NO.30- CAPITAL COMMITMENTS & CONTINGENT LIABILITIES**

Estimated amount of contracts remaining to be executed on Capital Accounts is Rs. Nil (P.Y. Rs. Nil).

Contingent Liabilities identified as on the Balance Sheet date amounts to Rs.29,19,771/= (P.Y. Rs. 24,62,422/-), (Demand Raised for Income Tax A.Y.08-09 is Rs.2,10,276/- & Demand Raised For Vat F.Y.12-13 is Rs.22,52,146/-Demand Raised for Vat F.Y.2013-14 is Rs.1,96,425/- and Cst F.Y.2013-14 is Rs. 2,60,924/-)

**NOTE NO. 31- FINANCIAL INSTRUMENTS****1) CAPITAL MANAGEMENT**

The primary objective of the Company's capital management is intended to maximise the return to shareholders for meeting the long-term and short-term goals of the Company through the optimization of the debt and equity balance. The Company is monitoring capital using debt equity ratio as its base which is debt to equity. For the purpose of capital management, capital includes issued equity capital, securities premium and all other reserves attributable to the equity shareholders of the Company. Net debt includes all long and short-term borrowings (including current maturities of long term debt) as reduced by cash and cash equivalents.

**Debt-to-equity ratio are as follows:**

Particulars	31-Mar-19	31-Mar-18
Debt (Total Debt- Cash & Cash equivalent) (A)	95,63,918	1,28,14,408
Equity (B)	2,07,69,093	1,94,91,359
<b>Debt to Equity Ratio (A/B)</b>	<b>0.46</b>	<b>0.66</b>

**2) FINANCIAL RISK MANAGEMENT OBJECTIVE AND POLICIES**

The Company is exposed to market risk, credit risk and liquidity risk. Risk management is carried out by the company under policies approved by the board of directors. The Company's documented risk management policies are effective tool in mitigating the various financial risk to which the business is exposed to in the course of daily operations This Risk management plan defines how risks associated with the Company will be identified, analysed, and managed. It outlines how risk management activities will be performed, recorded, and monitored by the Company. The basic objective of risk management plan is to implement an integrated risk management approach to ensure all significant areas of risks are identified, understood and effectively managed, to promote a shared vision of risk management and encourage discussion on risks at all levels of the organisation to provide a clear understanding of risk/benefit trade-offs, to deploy appropriate risk management methodologies and tools for use in identifying, assessing, managing and reporting on risks, and to determine the appropriate balance between cost and control of risk and deploy appropriate resources to manage/optimize key risks. Activities are developed to provide feedback to management and other interested parties (e.g. Audit committee, Board etc.). The results of these activities ensure that risk management plan is effective in the long term.

**a) Market risk**

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise three types of risk: foreign currency rate risk, interest rate risk and other price risks, such as equity price risk and commodity risk.

**i) Foreign Exchange Risk and Sensitivity**

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities. The Company transacts business primarily in USD. The Company generally imports the goods from outside India and has foreign currency trade payables, and therefore, exposed to foreign exchange risk. The Company regularly reviews and evaluates exchange rate exposure arising from foreign currency transactions.

**ii) Interest Rate Risk and Sensitivity**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. In order to optimize the Company's position with regards to interest expenses and to manage the interest rate risk treasury performs a comprehensive corporate interest rate risk management by balancing the proportion of fixed rate and floating rate financial instruments in its total portfolio.

**iii) Commodity Price Risk**

The Company trading in ferrous and non ferrous metal materials i.e. Copper pipes and copper fittings etc. Commodity price risk arises due to fluctuation in prices of metal products. The Company mitigate the risk by natural hedge as any increase/ decrease in materials price directly reflect the changes in finished goods price.

**b) Credit Risk**

Credit risk is the risk that a counter party will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk for trade receivables, other bank balances, loans, other financial assets and financial guarantees.

**i) Trade Receivables**

The Company extends credit to customers in normal course of business. The Company considers factors such as credit track record in the market and past dealings with the Company for extension of credit to customers. The Company monitors the payment track record of the customers. Outstanding customer receivables are regularly monitored.

**ii) Bank Balances**

The Company seeks to limit its credit risk with respect to banks by only dealing with reputable banks.

**c) Liquidity Risk**

Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The Company's objective is to, at all times, maintain optimum levels of liquidity to meet its cash and collateral requirements. The Company limits its liquidity risk by ensuring funds from trade receivables.

**Maturity Patterns of Financial Liabilities**

Particulars	As at 31st March, 2019		
	0-1 Years	1-5 Years	Total
Borrowings	1,01,55,000	-	1,01,55,000
Trade Payable	1,88,03,755	-	1,88,03,755
Other Financial Liability	14,32,122	-	14,32,122

Particulars	As at 31st March, 2018		
	0-1 Years	1-5 Years	Total
Borrowings	1,33,15,000	-	1,33,15,000
Trade Payable	3,21,53,118	-	3,21,53,118
Other Financial Liability	15,63,335	-	15,63,335

**NOTE NO. 32 - ADDITIONAL INFORMATION REQUIRED TO BE DISCLOSED AS PER REVISED SCHEDULE VI****A) PAYMENT TO AUDITORS**

PARTICULARS	2018-19	2017-18
For Statutory Audit	60,000	45,000
For Taxation Matters	-	15,000
For Other Services	37,500	37,500
<b>Total*</b>	<b>97,500</b>	<b>97,500</b>

**B) CIF Value of Imports**

PARTICULARS	2018-19	2017-18
Material	11,07,300	1,62,99,309
<b>Total</b>	<b>11,07,300</b>	<b>1,62,99,309</b>

**C) EXPENDITURE IN FOREIGN CURRENCY for the current year**

PARTICULARS	2018-19	2017-18
For Import of Material	9,63,144	1,57,89,933
Other Expenditure	-	-

**D) FOB VALUE OF EXPORTS for the current year stands Rs Nil (PY Rs Nil)**

**Note No.33:-** (A) Special Additional Duty paid Rs.16,81,926/= before applicability of GST Act i.e. 01/07/2017, was eligible for input credit under GST subject to certain return filing compliances under GST Act, But same compliances under GST Act are not yet done but credit of Rs. 2,89,498/- ( P.Y.13,92,428/-) of Special Additional Duty paid is taken under GST and Rs.2,89,498/- (P.Y.13,92,428/-) used for payment of GST. In our opinion, this matter will be raised before GST Authorities, Input credit is eligible, non compliance is only in relation to filing of specific Return before date specified for that and hence at the time of GST assessment and or GST Audit, matter will be put up and hence no provision is made for any liability.

**Note No.33:-** (B) MVAT and CST assessment order and demand notice of financial year 2013-14 received by the Company during the year under review. As per order MVAT liability of Rs.1,96,425/= and CST liability of Rs. 2,60,924/= determined

, time limit for filing appeal against these demands is already expired. As in our opinion liability is disputed but not challenged by us by filing an appeal before higher authorities of Sales tax. But now immediately the necessary action will be taken in relation to this and hence no any provision is made in accounts for any liability.

**Note No.33:-** (C) The Bombay Stock exchange has levied penalty of Rs. 1,08,560/= for non appointment of Compliance officer /Company Secretary, in view of limited business operation compliance officer /company secretary could not be appointed, but from 30/03/2019 the company has appointed the company secretary and compliance officer and complied with statutory provision, and hence the company will request to concerned authorities for condonation in delay and for waiver of penalty imposed as company is having very small and limited business operation and hence no any provision is made in accounts for any liability.

**NOTE NO.34-** Short Term Loans & Advances of Rs 8 Lacs (refer Note No 10) given to a party is overdue for recovery and Company has initiated legal proceedings against this party. In view of the pending litigations and based on principle of prudence, Company has not recognized any interest income on the same. Management of the Company is of the view that recovery of entire amount is doubtful and hence provision for above receivables is necessary at this stage and hence provision for doubtful debts is made in Profit & Loss Account.

**NOTE NO.35-** In the opinion of the Board, all assets other than fixed assets and non current investments, have a realisable value in the ordinary course of business which is not different from the amount at which it is stated in the financial statement. Recovery from some Trade Receivables which are classified as "Significant increase in credit risk" in note no 8 amounting to Rs. 2,23,29,169/= is delayed and slow and even though delay in recovery, management believe and confirms that all trade receivables are good and recoverable at full value and hence no any provision required.

**NOTE NO.36-** Previous year's figures have been reworked/ regrouped/ rearranged and reclassified, wherever necessary.

#### As Per Our Report Of Even Date Attached

For **B.P.Kabra & Associates**  
Chartered Accountants  
Firm Registration No. 124578W

(Bankat P Kabra)  
Proprietor  
Membership Number :115966

Place : Mumbai  
Date: 30/05/2019

#### For and on behalf of the Board of Directors

**S.P. Shorewala**  
(Chairman)  
DIN : 00088077

**Nidhi V.Darak**  
(Company Secretary)  
M No. 28140

**Satish S. Shorewala**  
(Managing Director)  
DIN : 00055358

**Rohith S.Shorewala**  
(Director)  
DIN : 01650221

**Manohar Shetage**  
(Chief Financial Officer)



## ABC GAS (INTERNATIONAL) LIMITED

CIN: L27100MH1980PLC022118

Regd Office: 1, MAHESH VILLA, B.G.KHER ROAD ,WORLI, MUMBAI - 400018

Phone:022- 24935508Email-id:cs@abcgas.co.inweb:www.abcgas.co.in

### ATTENDANCE SLIP

(To be presented at the entrance)

I/We hereby record my/our presence at the 39<sup>th</sup> Annual General Meeting of the Company to be held on Saturday, 28<sup>th</sup> September 2019 at 11.30 a.m. at JanataShikshanSanstha's High school, Adarsh Nagar, Worli, Mumbai 400 030.

DP ID.*	Client ID*	Folio No.	No. of Share(s) held

\* Applicable for members who are holding shares in dematerialized form

Name of the Member(s) \_\_\_\_\_ Signature \_\_\_\_\_

Name of the Proxy \_\_\_\_\_ Signature \_\_\_\_\_

Note: Please fill up this attendance slip and hand it over at the entrance of the meeting hall. Members are requested to bring their copies of the Annual Report to the AGM.

.....TEAR HERE.....

## ABC GAS (INTERNATIONAL) LIMITED

CIN: L27100MH1980PLC022118

Regd Office: 1, MAHESH VILLA, B.G.KHER ROAD ,WORLI, MUMBAI - 400018

Phone:022- 24935508Email-id:cs@abcgas.co.inweb:www.abcgas.co.in

FORM NO. MGT-11

### PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies Management and Administration) Rules, 2014]

Name of the Member (s)		
Registered Address		
Email ID		
Client ID / Folio No.		DP ID :

I/We, being the member(s) of \_\_\_\_\_ shares of the above named company, hereby appoint:

1. Name: .....Address: .....

E-mail Id: .....Signature:....., or failing him/her

2. Name: .....Address: .....

E-mail Id: .....Signature:....., or failing him/her

and whose signature(s) are appended below as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 39<sup>th</sup> Annual General Meeting of the company to be held on 28<sup>th</sup> September, 2019 at 11.30am at Janata Shikshan Sanstha's High school, Adarsh Nagar, Worli, Mumbai 400 030 or at any adjournment thereof in respect of such resolutions as are indicated below.

I/ We wish my above proxy(ies) to vote in the manner as indicated in the box below:

Item No.	Description of Resolutions	For	Against
1	To receive, consider and adopt the Audited Financial Statement of the Company for the financial year March 31, 2019 together Reports of Directors and Auditors thereon.		
2	Appointment of Mr. Rohith Satish Shorewala(DIN: 01650221) who retires by rotation and being eligible offers herself for re-appointment.		
3	Appointment of Mr. Yash Ratanlal Mardia (DIN: 06735082) as Independent Director of the Company.		
4	Appointment of Mr. Akhilesh Singhal (DIN: 08479112) as Independent Director of the Company.		
5	Re- appointment of Mr. Satish Shorewala (DIN: 00055358) as the Managing Director of the Company.		
6	Re-appointment of Mr. Rohith Shorewala (DIN: 01650221) as a Whole Time Director of the Company.		
7	Creation of Security on the Properties of the Company in Favour of Lenders		

Signed this.....day of .....2019.

Affix Rs. 1/-  
Revenue  
Stamp  
Signature

Signature of Shareholder: .....

Signature of the Proxy Holder(s) (1) .....(2)..... (3).....

\* Please put a ( ) in the appropriate column against the resolution as indicated in the Box. Alternatively, you may mention the number of shares in the appropriate column in respect of which you would like your proxy to vote. If you leave all the columns blank against any or all the resolutions, your proxy will be entitled to vote in the manner as he/she thinks appropriate.

*Note: The proxy form must be deposited at the Registered office of the company not less than 48 hours before the time of the holding the meeting. The proxy need not be a member of the company.*

# ABC GAS (INTERNATIONAL) LIMITED

CIN: L27100MH1980PLC022118

Regd Office: 1, MAHESH VILLA, B.G.KHER ROAD ,WORLI, MUMBAI - 400018

Phone:022- 24935508Email-id:cs@abcgas.co.inweb:www.abcgas.co.in

## BALLOT FORM

(To be returned to Scrutinizer appointed by the Company)

Name and Registered Address of the sole / First named Member	:	
Name (s) of the Joint Holder (s) (if any)	:	
Registered Folio No./ DP ID No. and Client ID No.	:	
Number of share(s) held	:	
EVSN (Electronic Voting Sequence Number)	:	
User ID & Password	:	If you are registered with CDSL on e-voting system, please use your existing used ID and password. If you are a first time user follow the steps given in Note No. 36 to the AGM Notice.

I / We hereby exercise my / our vote(s) in respect of the Resolutions set out in the Notice of the 39th Annual General Meeting (AGM) of the Company to be held on Saturday, September 28th, 2019 at 11.30 a.m. and at any adjournment thereof by sending my / our assent or dissent to the said Resolutions by placing the tick ( ) mark at the appropriate box below:

Item No.	Resolution	Type of Resolution	No. of Shares	For	Against
1.	To receive, consider and adopt the Audited Financial Statement of the Company for the financial year March 31, 2019 together Reports of Directors and Auditors thereon.	Ordinary			
2.	Appointment of Mr. Rohith Satish Shorewala (DIN: 01650221) who retires by rotation and being eligible offers herself for re-appointment.	Ordinary			
3.	Appointment of Mr. Yash Ratanlal Mardia (DIN: 06735082) as Independent Director of the Company.	Ordinary			
4	Appointment of Mr. Akhilesh Singhal (DIN: 08479112) as Independent Director of the Company.	Ordinary			
5	Re- appointment of Mr. Satish Shorewala (DIN: 00055358) as the Managing Director of the Company.	Ordinary			
6	Re-appointment of Mr. Rohith Shorewala (DIN: 01650221) as a Whole Time Director of the Company.	Ordinary			
7	Creation of Security on the Properties of the Company in Favour of Lenders	Special			

Place:

Date:

(Signature of Member)

### INSTRUCTIONS

1. Unsigned ballot forms will be rejected.
2. A member need not cast all the votes in the same manner.
3. Duly completed ballot form should reach the Scrutiniser.
4. The Scrutiniser's decision on the validity of the ballot form will be final.

# ABC GAS (INTERNATIONAL) LIMITED

CIN: L27100MH1980PLC022118

Regd Office: 1, MAHESH VILLA, B.G.KHER ROAD, WORLI, MUMBAI- 400018

Dear Shareholders,

14th August, 2019

## Submission of PAN details

We request you to submit details of your Income Tax Permanent Account Number (PAN) as in terms of directive of Securities and Exchange Board of India, submission of these details by every participant in the Securities / Capital Market has become mandatory.

**Kindly return the slip appended below, duly filled in and signed with self-attested copies of PAN cards of all holders including joint holders, to the Company or the RTA. If you are holding shares in electronic form, please furnish these details to your Depository Participant.**

In case you have already submitted the PAN details, kindly ignore this letter.

For **ABC GAS (INTERNATIONAL) LIMITED**

**S. P. Shorewala**

**Director**

**DIN:-00088077**

Address: **1, MAHESH VILLA, B.G.KHER ROAD, WORLI, MUMBAI- 400018**

Name: \_\_\_\_\_

Address: \_\_\_\_\_

To,

Sharex Dynamic (India) Private Limited,

C 101, 247 Park,

LBS Marg, Vikhroli West.

Mumbai – 400 083

We give below the PAN details together with self-attested photocopies of the PAN card. Kindly record the same against my/our names.

Folio No. \_\_\_\_\_ Tel No. : \_\_\_\_\_

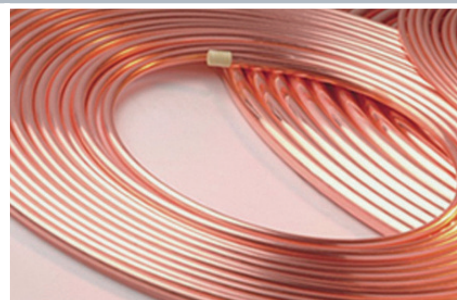
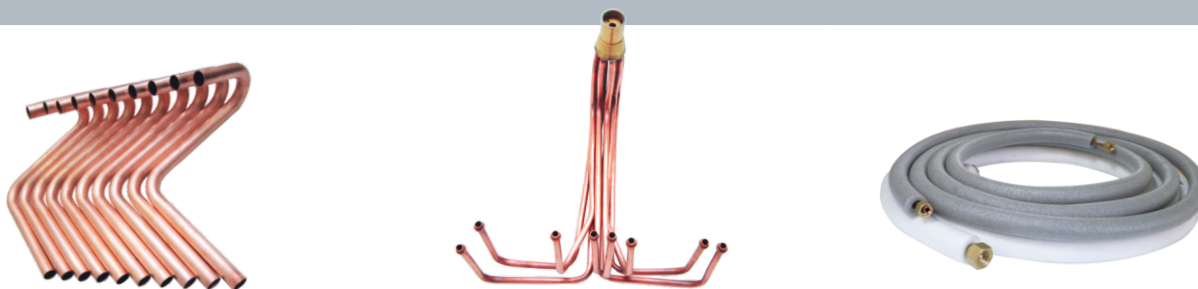
E-mail : \_\_\_\_\_

Name of the Shareholder	PAN	* Signature

\* In case of account holder(s) other than individuals, kindly submit an attested copy of the required authorization alongwith the specimen signatures of the authorized signatories.

## ROUTE MAP OF VENUE OF ANNUAL GENERAL MEETING





## **A.B.C. Gas International Ltd.**

### **Registered Office :**

1, Mahesh Villa Worli, Mumbai - 400 018. India

Tel. : +91-22-2493 8697, 2493 5508

Fax : 2493 7758

E-mail : [pipedgas@gmail.com](mailto:pipedgas@gmail.com)

Website : [www.abcgasinternational.com](http://www.abcgasinternational.com)