

EASTERN GASES LIMITED

Annual Report 2013-14





Corporate Information

BOARD:

Mr. Sushil Kr. Bhansali
Chairman, CEO
AVM Debabrata Choudhury
Independent Director

Mr. Tejvir Singh
Independent Director
Mr. Anil Choudhury Legha
Independent Director

COMPANY SECRETARY

Mrs. Swati Basu

AUDITORS

M/s Sarkar Gurumurthy & Associates,
Chartered Accountants

REGISTERED OFFICE

43 Palace Court, 1 Kyd Street
Kolkata - 700 016
Ph: 033-22299897 / 8606
Fax: 033-22496826

CORPORATE IDENTIFICATION NUMBER

L40200WB1995PLC068251
www.eastgas.in

WEB SITE & E-MAIL

info@eastgas.in

BOTTLING PLANTS

West Bengal

1. Address: De-Gaul Avenue,
Vill: Khairasole, Durgapur,
Dist.: Burdwan (W.B.)

Bangalore

2. Address: Survey no 124/1, Budihal,
Vill: Nelamangala, Taluk
Dist: Bangalore Rural District,
Bangalore-562123

Telangana

3. Address: House No 240, Block 3
Vill: Bibi Nagar, Nalgonda
Dist: Hydrebad -508126
Telangana

BANKERS

DBS Bank
Axis Bank
Central Bank of India

RETAIL OUTLET

Location: Paschim Medinipur

REGISTRAR & SHARE TRANSFER AGENT

Name of Registrar: S.K. Infosolutions Pvt. Ltd.
Address: 34/1A, Sudhir Chatterjee Street,
Kolkata 700006
Phone: +91-33-22196797 / 4819
Fax: +91-33-22194815
Email: agarwalaskc@rediffmail.com

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NOTICE OF 19th ANNUAL GENERAL MEETING

Notice is hereby given that the **19th ANNUAL GENERAL MEETING** of the Company will be held on Tuesday, the 30th day of September, 2014 at 11.00 am. at Smriti Charitable Medical Centre, 81, K.P.Roy Lane, Haltu, Kolkata – 700078 to transact the following business:

ORDINARY BUSINESS:

- 1) To receive, consider and adopt Reports of the Auditors and Directors and the Audited Accounts of the Company for the year ended 31st March, 2014.
- 2) Company does not declare any dividend for the financial year 2013-14.
- 3) To consider and , if thought fit to pass with or without modification, the following Resolution as an Ordinary Resolution:

“Resolved that pursuant to the provisions of section 139-142 and other applicable provisions, if any of the Companies Act 2013 read with the underlying rules viz. Companies (Audit & Auditors) Rules, 2014 as may be applicable M/s. Sarkar Gurumurthy & Associates, Chartered Accountants to hold office from the conclusion of this Annual general meeting till the conclusion of the Annual general Meeting for the year ended March 31, 2019, subject to ratification of their appointment at every Annual General Meeting and authorize Board to fix their remuneration.”

M/s. Sarkar Gurumurthy & Associates, Chartered Accountants retiring Auditors being eligible offer themselves for reappointment.

SPECIAL BUSINESS:

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

RESOLVED THAT pursuant to the provisions of section 190, 196 & 197 read with schedule V and such other applicable provisions if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof for the time being in force) and subject to the approval of such other authorities including Central Government, as may be required and pursuant to Articles of Association of the company & Remuneration Committee of the Board of Directors of the Company be and is hereby accorded for increase in remuneration of Mr. Sushil Kumar Bhansali, Managing Director of the Company from existing Rs.75,000/- (seventy five thousand) only per month to Rs 95,000/- (ninety five thousand) only per month from 1st October, 2014 for the remaining period of his appointment i.e. up to 31st September, 2018 as set out in the explanatory statement to resolution with liberty to the Board of Directors (herein after referred to as “Board”) to alter and vary the said remuneration in such form and manner or with such modifications as the Board may deem fit and agreed to by Sri Sushil Kumar Bhansali.”

“**RESOLVED FURTHER THAT** the Board of directors of the Company be and is hereby authorized to do all such acts deeds and things and execute all such documents instruments, and writings as may be required in order to give effect to the aforesaid resolution.”



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

“**RESOLVED FURTHER THAT** pursuant to the provisions of Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 and subject to such approvals as may be necessary, consent of the company be and is hereby accorded to the Board of directors of the company for borrowing, from time to time, such sums of money as the Board may deem fit for the purpose of the business of the company, notwithstanding that the moneys to be borrowed together with the moneys already borrowed (apart from temporary loans obtained from the company’s bankers in the ordinary course of business) shall not exceed the aggregate of the paid-up capital and free reserves of the company by more than the sum of Rs. 450 crores (Rupees Four hundred fifty crores) at any one time.”

“**RESOLVED FURTHER THAT** the Board of directors of the Company be and is hereby authorized to do all such acts deeds and things and execute all such documents instruments, and writings as may be required in order to give effect to the aforesaid resolution.”

- 6) To consider and, if thought fit, to pass with or without modification(s), the following resolution as **Special Resolution**

“**RESOLVED THAT** in supersession of the resolution passed by the shareholders in annual general meeting and in pursuance of the provision of section 180 (1) (a) and all other applicable provisions, if any, of the Companies Act, 2013, the consent of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the “Board” which expression shall also include a Committee thereof) to create mortgage(s) and/or charges(s) and /or hypothecation in addition to the mortgage(s)/charges(s) / hypothecation(s) created/to be created by the Company, in such form and manner and with such ranking and at such time and on such terms as the Board may determine, on all or any part of the movable and /or immovable properties and assets of all kinds of the Company, both present and future and /or pari-passu/ subservient mortgage/charge and /or floating charge to secure in favour of Financial Institution(s)/Banks, Lender(s), Agent(s) and Trustee(s), for securing the Borrowings of the Company to be availed by way of loan(s) (in foreign currency and /or Indian Rupee) and /or securities (comprising full/partly Convertible Debentures and /or Non-convertible Debentures) /GDR / Commercial paper, with or without detachable or non-detachable warrants and/ or secured premia notes and / or floating rates/bonds or other debt instrument(s), issued / to be issued by the Company from time to time and working Capital facilities sanctioned /to be sanctioned by the bankers/financial institution/bodies corporate or any other lender to the company and /or its subsidiary companies for an amount not exceeding overall limit in aggregate Rs. 450 crores (rupees four hundred fifty crores) together with interest at the respective agreed rates, all other costs, charges and expenses.

“**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board and/or its duly constituted Committee 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, difficulty or doubt that may arise in regard to creating mortgages/charges as aforesaid.”

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

“**RESOLVED FURTHER THAT** subject to the approval of the Central Government where necessary and in pursuance of the provisions of section 188 of Companies Act, 2013 and any other provisions as may be applicable, consent of the Company be and is hereby accorded the power to the Board of directors to appoint Mr. Gautam Bhansali, son of Mr. S.K. Bhansali, who is experienced in Business Administration & IT , to hold an office or place of profit as an “Manager – IT “ of the Company, with effect from 1st October 2014 and at an remuneration of Rs. 65,000/- (sixty five thousand) only per month inclusive of all as set out in the explanatory statement to resolution with liberty to the Board of Directors (herein after referred to as “Board”) to alter and vary the said remuneration in such form and manner or with such modifications as the Board may deem fit and agreed to by Mr. Gautam Bhansali.”

“**RESOLVED FURTHER THAT** the Board of directors of the Company be and is hereby authorized to do all such acts deeds and things and execute all such documents instruments, and writings as may be required in order to give effect to the aforesaid resolution.”

- 8) To consider and, if thought fit, to pass with or without modification(s), the following resolution as **Ordinary Resolution**

“Resolved that Shri. Debarata Choudhury , Shri Tejvir Singh & Shri Anil Choudhury Legha be and are hereby appointed as Independent Director for a period of 5 years to hold office w.e f 01st October 2014 till 30th September’2019 not liable to retire by rotation at the annual general meeting

By order of the Board of Directors

Place: Kolkata

Dated: 12th August’2014

Sushil Kumar Bhansali

Managing Director

NOTES:

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy/ proxies to attend and vote instead of himself / herself and such proxy need not be a member of the company.

A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company .The Proxy Form, in order to be effective, should be lodged with the Company at its Registered Office not less than 48 hours before the commencement of the meeting.

2. Members should bring the Attendance Slip duly filled in for attending the AGM.
3. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, in respect of the Special Businesses at Item Nos. 4 to 8 is annexed hereto.
4. All documents referred to in the accompanying Notice and the Explanatory Statement are open for inspection at the Registered Office of the Company on all working days except Saturdays, Sundays and other Holidays between 11.00 a.m. and 1.00 p.m. up to the date of the AGM.
5. The Register of Members and Share Transfer Books of the Company will remain closed from 24th September'2014 to 30th September' 2014 (both days inclusive).
6. The Ministry of Corporate Affairs ("Ministry"), Government of India, has taken a "Green Initiative in Corporate Governance" by allowing paperless compliance through electronic mode. As per the Circular No. 17/2011 dated 21.04.2011 and Circular No. 18/2011 dated 29.04.2011 issued by the Ministry of Corporate affairs, companies can now send various notices/documents (including notice calling Annual General meeting, Audited financial Statements, Directors Report, Auditors' Report etc) to their shareholders through electronic mode, to the registered email address of the shareholders. All members are therefore requested to intimate their e-mail address to the Company's Registrar and Transfer Agents at "S.K. Infosolution Private Limited, 34/1A, Sudhir Chatterjee Street, Kolkata-700 006".
7. Voting through electronic means
 - I. In compliance with provision of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is please to provide members facility to exercise their right to vote at the 24th Annual General meeting by electronic means and the business may be transacted through e-voting services provided by Central Depository Services (India) Limited.

The instructions for members for voting electronically are as under:-

- (i) The voting period begins on 23/09/2014 and ends on 25/09/2014. 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 14/08/2014, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website www.evotingindia.com during the voting period
- (iii) Click on "Shareholders" tab.
- (iv) Now, select the "COMPANY NAME" from the drop down menu and click on "SUBMIT"
- (v) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. 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 and voted on an earlier voting of any company, then your existing password is to be used.
- (viii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form



PAN	<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"> Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
DOB	<p>Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.</p>
Dividend Bank Details	<p>Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.</p> <ul style="list-style-type: none"> Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).

(ix) After entering these details appropriately, click on “SUBMIT” tab.

- (x) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for the relevant Eastern Gases Limited 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 Institutional Shareholders:
- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details they have to create a 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 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.co.in under help section or write an email to helpdesk.evoting@cdslindia.com.
8. The Company has appointed Mr. Dilip Kumar Sarawagi, Practising Company Secretary, as ‘Scrutinizer’, for conducting the e- voting process for the AGM in a fair and transparent manner.

Annexure to Notice

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

Item No :4

Increase in remuneration of Mr. Sushil Kumar Bhansali.

The Board of Directors at their meeting held on 12th August ‘2014 and Remuneration committee at the meeting held on same day have recommended increase in the remuneration for Mr. Sushil Kumar Bhansali, Managing Director of the Company.

1. The terms of increase in remuneration of Mr. Sushil Kumar Bhansali inter alia contains the following principal terms and conditions:

i) SALARY:

Rs. 75,000/- till 30th September, 2014. The remuneration committee has recommended the increase in remuneration from Rs.75, 000/- per month to Rs.95,000/- per month w.e.f. 1st October, 2014 for his remaining tenure.

**ii) PERQUISITES & ALLOWANCES**

In addition to the salary payable Mr. Sushil Kumar Bhansali, the Managing Director, shall also be entitled to perquisites and allowances like house rent allowance; house maintenance allowance together with reimbursement of expenses or allowances for utilities such as gas, electricity, water, furnishings and repairs, medical reimbursement, leave travel concession for himself and his family, club fees, personal accident insurance and such other perquisites and allowances in accordance with the Rules of the Company or as may be agreed to by the Board of Directors and Mr. Sushil Kumar Bhansali, such perquisites and allowances will be subject to a maximum of 100% of his annual salary.

iii) PROVIDENT FUND, SUPERANNUATION / ANNUITY FUND

Company's contribution to Provident Fund and Superannuation or Annuity Fund to the extent these either singly or together are not taxable under the Income-tax Act, gratuity payable as per the rules of the Company and encashment of leave at the end of his tenure shall not be included in the computation of limits for the remuneration or perquisites aforesaid.

iv) MINIMUM REMUNERATION

Notwithstanding anything herein, where in any financial year during the remaining tenure of Mr. Sushil Kumar Bhansali the Managing Director, the Company has no profits or its profits are inadequate, the Company will pay remuneration by way of salary and perquisites as specified above, subject to the requisite approvals being obtained.

The terms and conditions of the Managing Director's appointment may be varied, altered, increased, enhanced or widened from time to time by the Board as it may be deemed fit, within the maximum amounts payable in accordance with the schedule V of the Companies Act, 2013 or any amendments made hereafter in this regard.

In compliance with the provisions of the Companies Act, 2013, the terms of remuneration specified above are now being placed before the members in Annual General Meeting for their approval. The Board recommends the Resolution for acceptance by the members.

This may be treated as an abstract of the revision of term of re-appointment under section 190 of the Companies Act, 1956.

None of the Directors of the Company other than Mr. Sushil Kumar Bhansali is concerned or interested in the aforesaid appointment.

Item no :5**Increase in borrowing limit of the Company**

In view of the increased business activities of the company, the company be allowed to borrow funds from financial institutions and banks in excess of the company's paid up capital and free reserve to a maximum amount of Rs. 450/- crore (rupees four hundred fifty crore) as the present borrowing limit has been found to be inadequate. Your

directors are of the opinion that the ceiling of borrowings by the Board be raised to Rs. 450/- crore (rupees four hundred fifty crore).

Hence the proposed resolution is recommended for consideration and approval by the members of the company.

None of the directors is concerned or interested in the proposed resolution.

Item no : 6**Approval for mortgage/ hypothecation/etc.**

To secure the borrowings, which the company may borrow from time to time, the Company may require to create mortgages/charges/hypothecation on all or any of the immovable and movable properties of the Company. In order to create mortgages / charges / hypothecation on the assets of the company, the consent of the shareholders in the General Meeting is required under section 180(1)(a) of Companies Act, 2013 authorizing the Board of Directors with necessary powers.

Accordingly, it is proposed to obtain consent of the Company in terms of the provision of Section 180(1)(a) of the Companies Act, 2013.

The Board of Directors of the Company accordingly recommends the Ordinary Resolution for approval of the members.

None of the directors of the Company is, in any way, concerned or interested in the proposed Resolution

Item no :7**Appointment of a relative of Director to a place of profit.**

The Board of Directors at their meeting held on 12th August '2014 and Remuneration committee at the meeting held on the same day have recommended the name of Mr. Gautam Bhansali, for the post of "Manager IT" of the Company with effect from 1st October 2014 and at an remuneration of Rs. 65,000/- (sixty five thousand) only per month inclusive of all.

The terms and conditions of the appointment may be varied, altered, increased, enhanced or widened from time to time by the Board as it may be deem fit, within the maximum amounts payable in accordance with the Companies regulations or any amendments made hereafter in this regard.

In compliance with the provisions of the Companies Act, 2013, the terms of remuneration specified above are now being placed before the members in Annual General Meeting for their approval. The Board recommends the Resolution for acceptance by the members.

None of the Directors of the Company other than Mr. Sushil Kumar Bhansali, who is the relative of Mr. Gautam Bhansali, is concerned or interested in the aforesaid appointment.

Item No : 8

Pursuant to section 149 of the Companies Act 2013 (new Act) read with the rules made thereunder, the Independent Directors shall hold office for a period upto 5 consecutive



years and shall not liable to retire by rotation. They may be appointed for a maximum of two consecutive terms of 5 years each. In terms of the revised clause 49 of the listing agreement which will be applicable from 01st October '2014, presently Shri. Debarata Choudhury , Shri Tejvir Singh & Shri Anil Choudhury Legha are the Independent Directors of the Company.

The Board considered the independence of each of the above mentioned Directors in terms of section 149 and schedule IV to the Companies Act 2013 and clause 49 of the listing agreement and was of the view that the proposed directors fulfill the criteria of independence as mentioned in the above provisions and can be appointed as Independent Directors. All the proposed Directors possess requisite qualifications, appropriate skills experience and knowledge. The Board has recommended their appointment as Independent Directors of the Company to hold office for a term of five consecutive years commencing from the date of ensuing Annual General meeting of the Company.

(ANNEXURE TO NOTICE DATED 12TH AUGUST'2014)

DETAILS OF DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT AT THE FORTHCOMING ANNUAL GENERAL MEETING (PURSUANT TO CLAUSE 49 OF THE LISTING AGREEMENT)

Name of the Director	Debarata Choudhury
Age	80 Years
Qualifications	Post Graduate
Appointment Date	31/01/2013
Expertise	He has more than 30 years of experience in this industry.
Directorships held in other public companies (excluding foreign companies)	Nil
Chairman/Member of the Committee of the Board of Directors of the Company	3
Chairman/Member of the Committee of the Directors of other companies in which he is a Directors	Nil
Shareholding of Non-Executive Directors	Nil
Relationship between Directors inter-se	Nil

Name of the Director	Anil Choudhary Legha
Age	30 Years
Date of Appointment on the Board	02-08-2013
Qualifications	MBA
Expertise	He has more than 5 years of experience in this industry.
Directorships held in other public companies (excluding foreign companies)	Nil
Memberships/ Chairmanships of committees across public companies	Nil
Shareholding of Non-Executive Directors	100
Relationship between Directors inter-se	Nil

EASTERN GASES LIMITED



Name of the Director	Tejvir Singh
Age	43 Years
Appointment Date	02-08-2013
Qualifications	Graduate
Expertise	He has more than 10 years of experience in this industry.
Directorships held in other public companies (excluding foreign companies)	Nil
Chairman/Member of the Committee of the Board of Directors of the Company	3
Chairman/Member of the Committee of the Directors of other companies in which he is a Directors	Nil
Shareholding of Non-Executive Directors	Nil
Relationship between Directors inter-se	Nil

By order of the Board of Directors

Place: Kolkata

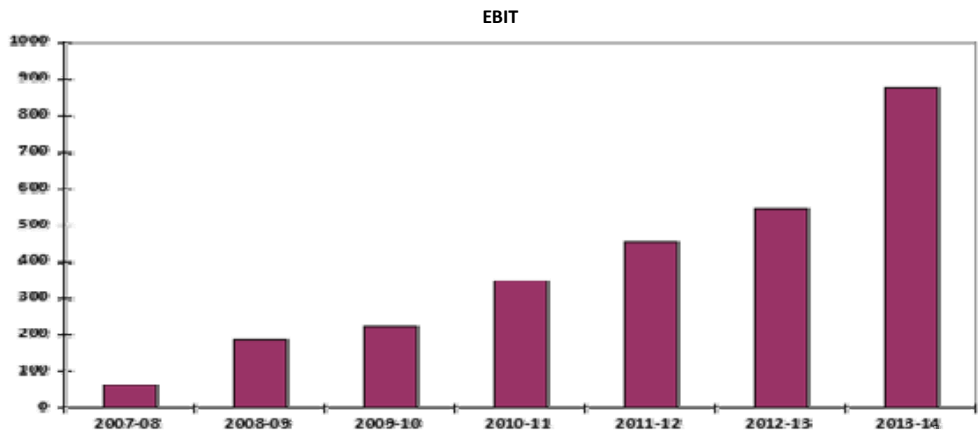
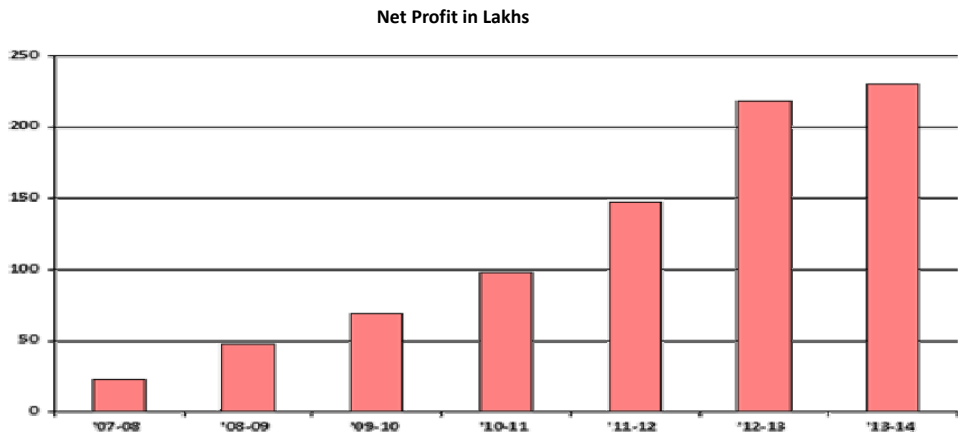
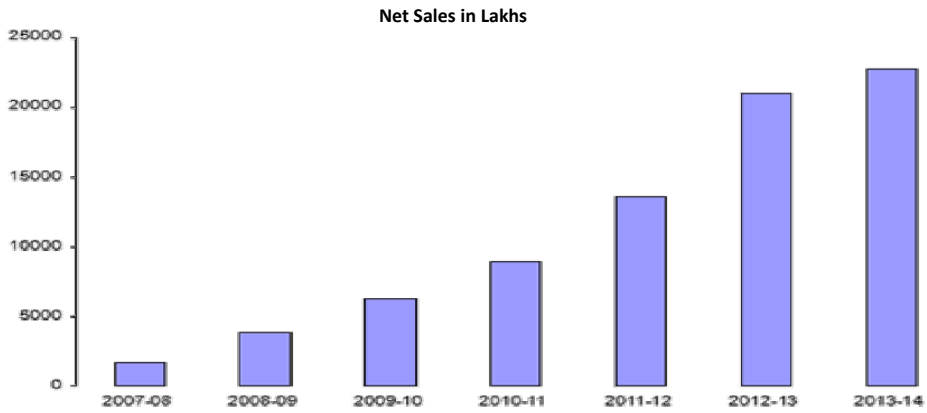
Dated: 12th August'2014

Sushil Kumar Bhansali

Managing Director



PERFORMANCE AT A GLANCE





DIRECTORS’ REPORT TO THE MEMBERS

Dear Members,

On behalf of the Board of Directors, it is my privilege and honor to place before you the nineteenth Annual Report and the Audited Statement of Accounts of the Company for the year ended 31st March, 2014.

	(Rs. in Lacs)	
	2013-14	2012-13
Total Revenue	22779.9	20968.41
Profit before Interest, depreciation and taxation	965.31	611.98
Interest	525.55	268.33
Depreciation	90.84	67.41
Profit Before Tax	348.92	276.24
Less: Provision for Taxation	118.72	58.26
Profit after Tax	230.2	217.98
Add: Balance Brought Forward	597.83	379.85
Securities Premium	450.11	450.11
Surplus carried to Balance Sheet	1278.14	1047.94

BUSINESS PERFORMANCE:

Your Directors are pleased to report that in spite of being one of the most challenging years in the last decade, 2013-14 has turned out to be yet another satisfactory year for your company with respect to performance level and consolidation of its position in the market with firm commitment & sustained efforts. The company expects to maintain persistent growth in the years to come. You shall be happy to note that during the period 2013-14, your Company has achieved a substantial growth, both in turnover and profits

Net Sales increased by.....8% to Rs. 227.28 crs
 PBDIT increased by.....58% to Rs.965.31 lacs
 Profit before tax increased by.....26% to Rs.348.92 lacs
 Net Profit increased by.....6% to Rs.230.02 lacs

FUTURE OUTLOOK

The world is now moving towards a cleaner and pollution free environment and your company is well established in clear fuel LPG, which is eco-friendly and will gain significance growth in LPG sector not only in the eastern region, but also in whole of India. The Company expects a good growth in this segment as the companies are turning into LPG usable furnaces and systems for their plants due to clean and cheaper fuel. The Management has taken adequate steps to cater the future demand for consolidating its position in the market. The company has purchased new Bottling plants at Bangalore and Hyderabad and planning to set up/or purchase more Bottling Plant/Auto LPG Retail Outlets (Dispensing Stations) which will require substantial investment in future. The company is evaluating all the options to propel its expansion plans.

**A. BOTTLING SEGMENT**

The company caters the commercial cylinder market of West Bengal, Bihar and Orissa from its own bottling plant situated at Durgapur. The company already stepped forward to set up few new LPG bottling plant at strategically potential locations to cover Central and Southern India as well for marketing its “EAST GAS” brand commercial LPG cylinders. Your company has started two new LPG bottling plants at Bangalore & Hyderabad with its vision of pan India presence. This will add to company’s presence in Domestic, Commercial and Industrial segment. With various government checks on Domestic LPG supplies the company expects that the Domestic sector will also open up as Good Avenue in years to come.

B. BULK LPG

The Company expects good growth in this segment due to the conversion of major industries from Coal/ other alternate fuels to LPG/Propane due to Environment concerns. LPG being a cleaner and cheaper fuel is preferred choice of the Industrial Customers. The company is also exploring opportunities throughout India as usage of LPG in Industrial houses is growing.

C. AUTO LPG

The Companies own Auto LPG Retail Outlet (ALRO) is already running in Paschim Medinipur, West Bengal and the company has a plan to start three more ALRO at Bagnan, Delhi Road & Chandannagar in West Bengal by this year and make the chain of 100 ALRO’s throughout India in coming years.

DIVIDEND

The Board believes that it will be prudent for the company to conserve resources in view of future expansion programs in line for the coming year, which will enhance the profitability to a great extent. Hence, your directors are not recommending any dividend for the Financial Year 2013-14.

INSURANCE

The Assets of the Company including building, plant & machinery, etc are adequately insured for all its units.

INDEPENDENT DIRECTORS

Pursuant to section 149 of the Companies Act 2013 (new Act) read with the rules made there under, the Independent Directors shall hold office for a period up to 5 consecutive years and shall not be liable to retire by rotation. They may be appointed for a maximum of two consecutive terms of 5 years each. In terms of the revised clause 49 of the listing agreement which will be applicable from 01st October ‘2014, presently Shri. Debarata Choudhury, Shri Tejvir Singh & Shri Anil Choudhury Legha are the Independent Directors of the Company.

The Board considered the independence of each of the above mentioned Directors in terms of section 149 and schedule IV to the Companies Act 2013 and clause 49 of the listing agreement and was of the view that the proposed directors fulfill the criteria of independence as mentioned in the above provisions and can be appointed as



Independent Directors. All the proposed Directors possess requisite qualifications, appropriate skills experience and knowledge. The Board has recommended their appointment as Independent Directors of the Company to hold office for a term of five consecutive years commencing from the date of ensuing Annual General meeting of the Company.

STATUTORY AUDITORS

The Statutory Auditors of the Company M/s. Sarkar Gurumurthy & Associates, Chartered Accountants, will retire at the ensuing Annual General Meeting and have confirmed their eligibility and willingness to accept office of Auditors, if reappointed. The Audit Committee and the Board of Directors recommended M/s. Sarkar Gurumurthy & Associates, as Statutory Auditors of the Company to hold the office from the conclusion of the Annual General Meeting of the members' of the Company for the year ended March 31, 2014, until the conclusion of the Annual General Meeting of the Members' of the Company to be held for the year ended March 31, 2019, (five consecutive years) for shareholders' approval.

As required under the provisions of section 139(1) of the Companies Act 2013, the Company has obtained a written Certificate from the above Auditors proposed to be re- appointed to the effect that re – appointment, if made, would be in conformity with the limits specified in the said section.

AUDITOR'S REPORT

The Board has duly examined the Statutory Auditors' Report to the accounts and clarifications, wherever necessary, have been included in the Notes to the Accounts section of the Annual Report.

FIXED DEPOSITS

The Company has not accepted any deposits within the meaning of Section 58A of the Companies Act, 1956, and the rules made there under.

SHARE CAPITAL

During the year 2013-14 there was no further issue of share capital.

CORPORATE GOVERNANCE

The Company has adopted the best corporate governance norms and it has been our endeavor to comply and upgrade to the changing norms. A separate section on Corporate Governance and a certificate from the Statutory Auditors of the Company regarding the compliance of the conditions as stipulated under clause 49 of the Listing Agreement(s) with the Stock Exchanges(s) form part of the Annual Report.

In terms of sub- clause(v) of the Clause 49 of the Listing Agreement , a certificate of the CEO/CFO, inter alia, confirming the correctness of the financial statements, adequacy of the internal audit control measures and reporting of matters to the Audit Committee in terms of the said Clause, is also enclosed as a part of this Report.



PARTICULARS OF EMPLOYEES:

Information pursuant to section 217(2A) of the Companies Act 1956 read with Companies (Particulars of Employees) Rules 1975, forms part of this Report. Any Member interested may obtain a copy of the statement from the Company.

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO

A. CONSERVATION OF ENERGY

Information required to be provided under Section 217(1)(e) of the Companies Act, 1956, read with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 in relation to the Conservation of Energy and Technological Absorption are currently not applicable to the Company. However, the company requires energy for its operations and every effort is made to ensure the optimal use of energy, avoid misuse and conserve energy.

B. RESEARCH & DEVELOPMENT (R&D)

No R & D activities have been carried out by the company during the year.

C. TECHNOLOGY ABSORPTION

The Company always keeps a check on global innovation and techniques to avail the latest technology trends and practices. The Company has not imported any technology or process in the financial year.

D. FOREIGN EXCHANGE EARNINGS & OUTGO

The Company had Foreign Exchange earnings and Outgo during the year under review, details as under:

Particulars	Current Year (2013-14)		Previous year (2012-13)	
	Earned	Outgo	Earned	Outgo
Foreign exchange	Nil	Nil	Nil	3564 USD

SUBSIDIARY

It is reported that the Company has no Subsidiary within the meaning of Section 4 of the Companies Act, 1956.

SOCIAL COMMITMENT

Our driving objective is to improve living and working condition of our workforce, their dependents and society as well. There has been a constant endeavor to interact with the workers on a day to day basis and promptly resolve the issues that surface up.

ENVIRONMENTAL EFFORTS

Company has obtained all the required certificates and License from Environment Control Regulators to check Safe and Environment friendly Operations. The Company is quite alert in providing clean environment on a continuous basis.

**SAFETY**

The Company has adequate system for Industrial Safety. In the said year the company has strengthened its fire safety equipment at its units. The year under review continued to be NIL accident year.

DIRECTORS' RESPONSIBILITY STATEMENT

Your Directors confirm that:

- A. in the preparation of the annual accounts all applicable accounting standards had been followed. There are no material departures from prescribed accounting standards.
- B. We 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 2013-14 and of the profit of the Company for that period;
- C. We have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- D. We have prepared the annual accounts on a 'going concern' basis.

VOLUNTARY DELISTING OF EQUITY SHARES

The Company has applied for delisting of shares from Ahmedabad Stock Exchange Ltd. (ASE) and Jaipur Stock Exchange Ltd. (JSE), which is under process.

ACKNOWLEDGEMENTS

The Board records its sincere appreciation for the valuable support extended by the Company's Bankers, Financial Institutions and the Government Agencies. The Board also wishes to thank all its suppliers / customers / distributors / dealers and all those associated with the Company. The Board further conveys cordial thanks to all the employees for their sincere works and takes this opportunity to thank Shareholders for their continued confidence reposed in the Management of the Company.

Place: Kolkata

Dated: 31st May 2014

For and on behalf of the Board

Sushil Kumar Bhansali

Chairman

**ANNEXURE 'A' TO DIRECTORS' REPORT****MANAGEMENT DISCUSSION AND ANALYSIS****Overview**

The Indian oil and gas industry is expected to be worth US\$ 139,814.7 million by 2015. India is the world's fourth largest consumer of energy. India's economic growth is closely connected to energy demand. The need for oil and gas is therefore projected to grow further, providing vast opportunities for investment. India is working towards self-reliance in O&G segment and has immense potential to achieve the same, as about 80 per cent of the country's sedimentary area is yet to be explored. To meet this demand, the Government of India has adopted various policies, such as allowing 100 per cent foreign direct investment (FDI) in many segments of the sector, such as natural gas, petroleum products, pipelines, and refineries. This move along with various others has made the oil and gas sector in India a more viable place to invest. Today, India's oil and gas sector attracts both domestic and foreign investment, as seen by the presence of Reliance Industries Ltd (RIL) and Cairn India in the country.

During FY 2013–14, the total consumption of petroleum products in India was 158.2 million tons (MT). The share of fuels in the country's exports surged from 5.59 per cent in 2003–04 to 20.05 per cent during 2013–14. Total exports of fuel products stood at US\$ 62.69 billion in value terms during FY 2013–14. The country had total reserves of 1354.76 billion cubic metres (BCM) of natural gas and 758.27 million metric tons (MMT) of crude oil at the end of FY 2013-14.

FINANCIAL PERFORMANCE REVIEW OF THE COMPANY

Despite of being a challenging year, 2013-14 has turned out to be satisfactory. Total income has gone up from 20,951 lakhs to 22,723 lakhs, net profit before tax from 276.24 lakhs to 348.92 lakhs

1. Share Capital – The company has authorised share capital of Rs. 1500 lakhs comprising of equity shares of face value Rs.10/- The paid up share capital is Rs.1500 lakhs
2. Reserve and Surplus–Total accumulated profit as on 31-03-2014 is Rs. 1278.14 lakhs
3. Loan Profile – The Company has taken secured loan of Rs. 1,548.43 lakhs and the unsecured loan stands to Rs. 15.28 lakhs
4. Fixed Assets – During the year under review, total additions to the gross block of assets was Rs. 1,524.59 lakhs
5. Investments – The Company has not made any fresh investment in capital market during the year
6. Cash and Bank Balance – The Company had adequate liquidity of Rs.133.25 lakhs in the various Bank Accounts

SEGMENTWISE OR PRODUCTWISE PERFORMANCE

The company is engaged primarily in the business of bottling & trading of LPG. Hence Segment wise operational performance is not applicable.



DISCLOSURE BY THE MANAGEMENT

Your Board has received confirmation from its managerial staff that they had no personal interest in any material, financial and commercial transactions of the company.

INTERNAL CONTROL SYSTEM AND RISK MANAGEMENT

The Company has an in-house team in internal audit department and also availed services of external firms of consultants and chartered accountants to help the Company to strengthen the internal audit and risk management functions.

CAUTIONARY STATEMENT

Statement in this report, particularly those which relate to Management Discussion and Analysis, description of company's objective, estimates and expectations may constitute forward looking statements within the meaning of applicable laws or regulations. Actual results might differ materially from those either. The Company takes no responsibility for any consequence of decisions made based on such statements and holds no obligation to update these in the future.

RISK MANAGEMENT

The Company has a risk management framework in place under which the management identifies and monitors business risks on a continuous basis and initiates appropriate risk mitigation steps as and when required. The Company periodically place before the Board the risk assessment and minimisation procedures being followed by the company and steps taken by it to mitigate those risks through a properly defined framework.

**REPORT ON CORPORATE GOVERNANCE**

Company's policies on the Corporate Governance and due compliance report on specific areas wherever applicable for the year ended March 31, 2014 are given hereunder divided in the following areas:

Company's philosophy on code of Governance

Eastern Gases Ltd. (EGL) is dedicated to achieve the highest level of integrity, transparency and accountability in our operations, financial results and public disclosures.

Belief of our Corporate Governance Philosophy

- Respect Accountability and Fairness towards all stakeholders.
- Creating value for all stakeholders without compromising on ethical principles.
- Comply with applicable laws and Regulations
- Clear communication of relevant information and high degree of Transparency
- Identification and Management of key risks for better performance of the Company.

EGL is in full compliance with the corporate governance norms and disclosures of clause 49 of the Listing Agreement with the Stock Exchanges. We inform our financial results and other relevant disclosures & developments in a clear and timely manner through print and electronic media. The company files its quarterly, half yearly, annual results and quarterly shareholding patterns in a manner and within such time as prescribed by the Stock Exchanges. In terms of the Company's Corporate Governance Policy, all statutory and other significant and material information are placed before the Board.

Composition of Board of Directors

Your Board consists of eminent directors who have the diverse experience and expertise necessary to serve effectively on the Board and its committees which may include financial, business and other expertise as determined by the Board. The size and composition of the Board confirms to the requirement of the Corporate Governance code under the Listing Agreement with the Stock Exchanges.

The present strength of board is 4 Directors and meets the requirement of not less than 50% being non-executive Directors. During the year 2013-14 six board meetings were held on 31st May'2013, 02nd August' 2013, 03rd Septmeber'2013, 25th October'2013, 12th November'2013 and 12th February'2014.

The Composition of Directors and their attendance at the Board Meeting during the year ended on 31st March 2014 and the last Annual General Meeting as also number of other directorships, committee memberships and chairmanships held by them are given below :-



Directors	Category	Attendance Particulars	Last AGM	No. of Directorship and Committee Membership/Chairmanship held			
				Directorship Public	Directorship Private	Committee Membership	Committee Chairmanship
Shri S.K.Bhansali	Whole Time Director	6	YES	6	9	1	Nil
Shri Suresh Baid *	Non-Executive, Independent	4	No	5	5	Nil	Nil
Shri Debabrata Choudhury	Non-Executive, Independent	5	Yes	Nil	1	Nil	Nil
Shri Anil Choudhury Legha	Non- Executive Director	5	Yes	Nil	2	Nil	Nil
Shri Tejvir singh	Non- Executive Director	5	Yes	Nil	1	Nil	Nil

Notes:

- Shri Suresh Baid resigned on 12/11/2013
- The Directorship held by Directors as mentioned above, do not include Alternate Directorships and Directorships of Foreign Companies, Section 25 Companies and Private Limited Companies as exempt under section 278 of the Companies Act, 1956.
- In accordance with Clause 49, Membership/ Chairmanships of only the Audit Committee and Shareholders/ Investors Grievance Committees of all public limited companies have been considered.
- None of the Non-Executive directors have any pecuniary relationship or transactions with the company other than for holding directorship and receiving sitting fees.
- All the directors who are on various Committees are within the permissible limits of the listing agreement. The Directors have intimated from time to time their membership in the various Committees in other Companies.

Board Agenda

Agenda papers for the Board meetings are generally circulated seven days prior to date of the meetings. All major issues included in the Agenda are backed by comprehensive background information to enable the Board to take informed decisions. The Board members, in consultation with the Chairman, may bring up any matter for the consideration of the Board.

Information Supplied to the Board

The Board has complete access to all information with the company. The agenda and papers for consideration of the Board are circulated at least seven days prior to the date of the Board Meeting. Adequate information is circulated as part of the agenda papers and also placed at the meeting to enable the Board to take an informed



decision. Inter-alia, the following information is regularly provided to the Board as a part of the agenda papers well in advance of the Board meetings or is tabled in the course of the Board meeting:

- Annual operating plans & budgets and any update thereof.
- Capital budgets and any updates thereof.
- Quarterly results for the company.
- Minutes of the meetings of the Audit Committee and other Committees of the Board.
- Information on recruitment and remuneration of senior officers just below the level of Board, including the appointment or removal of Chief Financial Officer and Company Secretary.
- Materially important show cause, demand, prosecution notices and penalty notices.
- Fatal or serious accidents, dangerous occurrences, any material effluent or pollution problems.
- Any material default in financial obligations to and by the company, or substantial non-payment for goods sold by the company.
- Any issue, which involves possible public or product liability claims of substantial nature, including any judgement or order which, may have passed strictures on the conduct of the company or taken an adverse view regarding another enterprise that can have negative implications on the company.
- Details of any joint venture or collaboration agreement.
- Transactions that involve substantial payment towards goodwill, brand equity or intellectual property.
- Significant labour problems and their proposed solutions. Any significant development in human resources / industrial relations front like signing of wage agreement, implementation of voluntary retirement scheme, etc.
- Sale of material nature of investments, subsidiaries, assets, which is not in the normal course of business.
- Non-compliance of any regulatory, statutory nature or listing requirements and shareholders service such as nonpayment of dividend, delay in share transfer, etc
- Any material default in financial obligations to and by the company, or substantial non-payment for goods sold by the company.
- Any issue, which involves possible public or product liability claims of substantial nature, including any judgement or order which, may have passed strictures on the conduct of the company or taken an adverse view regarding another enterprise that can have negative implications on the company.
- Details of any joint venture or collaboration agreement.
- Transactions that involve substantial payment towards goodwill, brand equity or intellectual property.
- Significant labour problems and their proposed solutions. Any significant development in human resources / industrial relations front like signing of wage agreement, implementation of voluntary retirement scheme, etc.
- Sale of material nature of investments, subsidiaries, assets, which is not in the normal course of business.

- Non-compliance of any regulatory, statutory nature or listing requirements and shareholders service such as nonpayment of dividend, delay in share transfer, etc.

The Board periodically reviews compliance reports of all laws applicable to the company, prepared by the company as well as steps taken by the company to rectify instances of non-compliances.

AUDIT COMMITTEE

The Audit Committee is empowered, pursuant to its terms of reference, inter-alia:

- To investigate any activity within its terms of reference
- To seek any information it required from any employee
- To obtain legal or other independent professional advice
- To secure the attendance of outsiders with relevant experience and expertise, when considered necessary.

The Role of Audit Committee:-

Terms of reference of the Audit Committee as stipulated by the board and as per section 292A of the Companies Act, 1956 and the guidelines set out in Clause 49 of the Listing Agreement with the Stock Exchanges includes review of the following:

- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- Management Discussion and Analysis of financial condition and results of operations;
- Statement of significant related party transactions submitted by Management;
- Management letters/letters of internal control weaknesses issued by the Statutory Auditors;
- Internal Audit reports relating to internal control weaknesses;
- Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal; of the statutory auditor and the fixation of audit fees;
- Approval of payment to Statutory Auditors for any other services rendered by the Statutory Auditors;
- The appointment, removal and terms of remuneration of the Chief Internal Auditor;
- Reviewing, with the Management, the annual financial statements before submission to the board for approval, with particular reference to:
- Reviewing, with the Management, the quarterly financial statements before submission to the Board for approval;
- Reviewing, with the Management, performance of statutory and internal auditors, adequacy of the internal control systems;
- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- Discussion with internal auditors any significant findings and follow up thereon;



- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter thereon to the Board;

Composition:

The Audit Committee was constituted by the Board of Directors. Member Directors of the Audit Committee are as under:

1. Mr. Suresh Baid, Chairman
2. Mr. Sushil Kumar Bhansali , Member
3. Mr. Debarata Choudhury , Member
4. Mr. Anil Choudhury Legha, Member

The 2/3rd members of the Audit Committee are Non- Executive Directors including its Chairman. The Committee has elected Mr. Suresh Baid as its Chairman. In absence of Mr Baid, Mr. Debarata Choudhury chairs the meeting. All the members of Audit Committee are financially literate and one member is having accounting and related financial management expertise.

The Audit committee had four meetings during the year 2013-14 on 31st May 2013, 2nd August’2013, 12th November’2013 and 12th February’2014 and the gap between two meetings did not exceed four months. All the meetings were properly convened and conducted. The attendance of each Audit Committee member is as under:

Member	Position	No. of meetings	
		Held	Attended
Mr. Suresh Baid*	Chairman	4	3
Mr. Sushil kumar Bhansali	Member	4	2
Mr. Debabrata Choudhury	Member	4	4
Mr. Anil Choudhury Legha	Member	4	3

Note: * Resigned from the Board w.e.f 12/11/2014, Mr. Debarata Choudhury elected as Chairmain of the committee w.e.f from 12/11/2014.

- The audit committee meetings are held at the registered office and are attended by the Internal Auditors and the Finance head. A representative of the Statutory Auditors is also invited.
- The Chairman of the Audit Committee was present at the last Annual General Meeting of the Company to answer the queries raised by the Shareholders regarding Audit and Accounts.
- The role and terms of reference of the Audit Committee cover the matters specified for Audit Committees under Clause 49 of the Listing Agreement as well as in section 292A of the Companies Act 1956.

NOMINATION & REMUNERATION COMMITTEE

The Committee shall have authority to deal with the matters specified under the Companies Act, 1956 and the terms of reference of the Committee are as under:



- › Any fixation/change in remuneration of Whole Time Directors/Managing Director.
- › Any fixation/change in sitting fees payable to Board/Committee members for attending meeting.
- › To review the existing remuneration of the executives (GM level and above) and to approve any changes thereof.

Remuneration Policy

Remuneration of the employees largely consists of basic remuneration, perquisites and performance incentives. The component of the total remuneration varies for different grades and is governed by industry patterns, qualifications and experience of the employee, responsibilities handled by him and his individual performance. The objectives of the remuneration policy are to motivate employees to excel in their performance, recognize their contribution and retain talent in the organization and reward merit.

Composition:

The remuneration Committee consists of three Non – executive Independent Directors:

1. Mr. Debabrata Choudhury , Chairman
2. Mr. Anil Choudhury Legha, Member
3. Mr. Tejvir Singh, Member

Broad terms of reference of the Remuneration Committee include recommendation to the Board of Directors of the salary /perquisites, commission and retirement benefit payable to the Company’s Directors and Senior Executives.

The Remuneration Committee of the Company met twice during the year on 3rd September ‘2014 and 12th February’2014, wherein the members present waived their sitting fees. The attendance of the members of the Remuneration Committee was as follows:

Member	Position Held	No. of meetings	
		Held	Attended
Mr. Debabrata Choudhury	Chairman	2	2
Mr. Anil Choudhury Legha	Member	2	2
Mr. Tejvir Singh	Member	2	1

Remuneration to Directors

Executive Directors -The Company has paid remuneration by way of salary to its Managing Director Director in terms of the resolutions passed at the General Meetings of the Company under Section 269, 309 and other applicable provisions of the Companies Act, 1956 and the resolution passed in that behalf by the Remuneration Committee/Board of Directors duly constituted pursuant to Schedule XIII of the Companies Act, 1956.

Details of remuneration paid to Directors during the year 2013-14 are given below:

Director	Remuneration Package (Rs)	Fixed component and incentives (Rs)
Mr. S.K. Bhansali	12,60,000/-	NIL



Non-Executive Directors - During the year no sitting fee/commission was paid to any Non-Executive Director for attending the meeting of the Board of Directors and for Committees thereof.

The Company does not have an incentive plan which is linked to performance and achievement of the Company's objectives. The Company has no stock option and pension scheme.

INVESTORS'/SHAREHOLDERS GRIEVANCE COMMITTEE

The terms of reference of the Investors' Grievance Committee are as follows:

- To review and ensure compliance of statutory provisions of the Companies Act, the guidelines of SEBI and the Stock Exchanges and other statutory requirements relating to transfer and transmission of shares of the company.
- To review and ensure that the Registrar/Company's Transfer House implements all statutory provisions as above.
- Approve transfer/transmission of shares and demat/remat of the shares.
- Approve issue of duplicate share certificates, consolidate/sub-division of share certificates on completion of the procedures as may be stipulated.
- Redressal of Shareholders/Investors queries, grievance and complaints like transfer of shares, non-receipt of balance sheet, non-receipt of declared dividends, etc in an expeditious manner.
- Any other matter referred by the Board relating to equity shareholders of the Company.

Composition

The Board has formed a Shareholders/ Investors' grievance committee consisting of the following Directors:

1. Mr. Debabrata Choudhury
2. Mr. Sushil Kumar Bhansali
3. Mr. Anil Choudhury Legha

The Investors'/Shareholders Grievance Committee of the Company met twice during the year on 3rd September '2014 and 12th February'2014. The attendance of the members of the Remuneration Committee was as follows:

Member	Position Held	No. of meetings	
		Held	Attended
Mr. Debabrata Choudhury	Chairman	2	2
Mr. Sushil Kumar Bhansali	Member	2	1
Mr. Anil Choudhury Legha	Member	2	2

Investor Grievance Redressal

The following table shows the nature of complaints received from shareholders during 2013-14

Details of Shareholders/Investors complaints/ request for action :	
Received during the year	1



Resolved to the satisfaction of complaint	1
Pending	NIL
Pending Transfers	NIL

Email id for Investor Grievances : cs@eastgas.co.in

COMPLIANCE OFFICER

Mrs. Swati Basu is the compliance officer, complying with the requirements of SEBI (Prohibition of Insider Trading) Regulations, 1992 and the Listing requirements with the Stock Exchanges.

SECRETARIAL AUDIT

As stipulated by SEBI, a qualified Practicing Company Secretaries, M/s. D.K.Sarawagi & Co. conducts the Secretarial Audit of the Company every quarter for a limited purpose of reconciliation of the total Listed and Paid-up Capital is in agreement with the aggregate of the total number of shares in dematerialize form (held with NSDL and CDSL) and total number of shares in physical form. The quarterly Secretarial Audit Reports which were placed before the Board of Directors were also sent in time to both the Stock Exchanges where the Company's shares are listed.

INSIDER TRADING CODE

This code is applicable to all Directors and designated employees and seeks to prevent dealing in Company's shares by persons having access to unpublished, price sensitive information. Compliance Officer regularly monitors all transactions, in terms of the said Code, undertaken by designated employees of the Company. The Company also informs the stock exchanges periodically about the transactions undertaken by the Directors and designated employees and their shareholdings as per the regulations.

GENERAL BODY MEETING

Particulars of last three years Annual General Meetings:

Financial year	Date	Time	Location
2012-13	Sept. 28, 2013	11.00 AM	Smriti Charitable Medicle Centre, 81, K.P.Roy Lane, Haltu, Kolkata - 700078
2011-12	Sept. 29, 2012	11.00 AM	Smriti Charitable Medicle Centre, 81, K.P.Roy Lane, Haltu, Kolkata - 700078
2010-11	Sept. 30, 2011	11.00 AM	Smriti Charitable Medicle Centre, 81, K.P.Roy Lane, Haltu, Kolkata - 700078

No special resolution was passed through postal ballot in the last AGM. No special resolution requiring postal ballot as recommended under clause 49 of the listing Agreement with Stock Exchanges is being proposed at the ensuing AGM.

Disclosures

1. Accounting Treatment in Preparation of Financial Statements

The Company has followed the guidelines of accounting standards laid down by the Institute of Chartered Accountants of India (ICAI) in preparation of its financial statements.

2. Related Party Transactions

Disclosure on materially significant related party transactions i.e., transactions of



the company of material nature with its promoters, the Directors or the management, their subsidiaries relatives, etc. that may have potential conflict with the interests of the Company at large. None of the transactions with any of the related parties were in conflict with the interests of the Company at large.

3. Status of Regulatory Compliances

The Company has complied with all the requirements of the Listing Agreements with Stock Exchanges as well as the regulations and guidelines of SEBI and other statutory authorities. Consequently, there are no strictures and penalties imposed on any matter relating to capital markets during the last three years.

4. Whistle Blower Policy

The Company does not have a Whistle Blower Policy. But the employees are free to communicate their concerns and/or reports, unethical happenings to the Management and/or Board through officers and even direct communication of the employee to Audit Committee/Board is entertained.

5. Compliance with Clause 49 of Listing Agreement

The Company has complied with all the mandatory requirement of clause 49 of the Listing Agreement with stock exchanges. As regards non-mandatory requirements, the extent of compliance has been stated in this report.

MEANS OF COMMUNICATION

▶ Quarterly Results:

Quarterly Results are published in leading English dailies and in local vernacular newspaper having wide circulation in West Bengal.

▶ News Release, Presentation etc.:

Official news releases, detailed presentations made to media, analysts, institutional investors, etc. are displayed on the Company's website.

▶ Website:

The Company's website www.eastgas.in carries a separate dedicated section 'Investor Relations' where shareholders information is available. Full Annual Report is also available on the website in a user-friendly and downloadable form.

▶ Annual Report:

Annual Report containing, inter-alia, Audited Annual Accounts, Directors' Report, Auditors' Report and other important information is circulated to members and others entitled thereto.

▶ Corporate filing with Stock Exchanges:

All announcements, Quarterly Results, Shareholding Pattern etc. of the Company are also filed with the Stock Exchanges within prescribed timeline.

PROFILE OF DIRECTOR SEEKING APPOINTMENT/ RE-APPOINTMENT

Details of Directors seeking appointment including appointment of Independent Director at the ensuing Annual General Meeting as required under Clause – 49 of the Listing Agreement with Stock Exchanges is given in the Explanatory Statement to the Notice of the ensuing Annual General Meeting as 'Additional information'.

GENERAL SHAREHOLDER INFORMATION

1. 19th Annual General Meeting:

Date : September 30' 2014
Time : 11:00 A.M.



Venue : Smriti Charitable Medical Centre, 81, K.P.Roy Lane, Haltu, Kolkata - 700078

2. **a. Financial Year** : 2013-14
- b. Financial Calendar** : April – March (2014-15) (tentative)
 - (i) First Quarter results : July 31, 2014
 - (ii) Second Quarter results : By end of October, 2014
 - (iii) Third Quarter results : Be end of January, 2015
 - (iv) Audited Yearly Results for the : By end of May/June 2015
Year ended 31/03/2014
3. **Book Closure Date** : September 24, 2014 to September 30, 2014
(both days inclusive)
- Dividend payment date** : The Board of Directors has not recommended any dividend for the financial year 2013-14
4. **Secretarial Audit Calendar (tentative)**
 - (i) First Quarter : July 31, 2014
 - (ii) Second Quarter : By end of October, 2014
 - (iii) Third Quarter : By end of January, 2015
 - (iv) Fourth Quarter : By end of April 2015

5. **Listing of Equity shares in Stock Exchanges and Stock Codes:**

Name of the Stock Exchange	Stock Code
The Calcutta Stock Exchange Association Ltd.	015066
Bombay Stock Exchange Ltd.	590080

The annual listing fee for the period 2013-14 has been paid to the Stock Exchange.

Note: The Company has made an application for delisting of Equity Shares from Ahmedabad and Jaipur Stock Exchange and active follow up is being made with the stock exchanges.

6. **Demat ISIN for NSDL & CDSL** : INE846C01014
7. **Market Price Data** : The monthly high low data on Bombay Stock Exchange Ltd. from April' 2013 to March' 2014 is given below

Source: BSE website

Price	Apr-13	May-13	Jun-13	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13	Jan-14	Feb-14	Mar-14
High	17.85	16.45	15.75	16.90	17.65	16.95	17.25	17.30	15.80	14.33	13.77	15.00
Low	15.70	15.25	13.70	15.25	16.00	15.70	14.70	15.25	12.40	11.25	11.80	12.55



I) Distribution of Shareholding as on 31st March, 2014				
SHARE OR DEBENTURE HOLDING OF NOMINAL VALUE OF (Rs). (1)	SHARE HOLDERS		SHARE AMOUNT	
	Number (2)	% to Total (3)	In Rs. (4)	% to Total (5)
Upto -5,000	1769	62.58	574142	3.83
5,010 - 10,000	686	24.27	544054	3.63
10,010 - 20,000	189	6.68	249728	1.65
20,010 - 30,000	36	1.27	90757	0.61
30,010 - 40,000	18	0.64	66903	0.45
40,010 - 50,000	7	0.25	33357	0.22
50,010 - 1,00,000	33	1.17	262110	1.75
1,00,010 - 5,00,000	52	1.84	1664689	11.1
5,00,010 - 10,00,000	12	0.42	749897	5
10,00,010 and above	23	0.88	10764363	71.76
TOTAL	2825	100	15000000	100

ii) Share holding pattern as on 31st March 2014

Category	No. of Shares	% of Shares
A. PROMOTORS HOLDING :-		
1. Indian Promoters	1645884	10.97
2. Persons Acting in Concert	6092266	40.62
B. NON-PROMOTERS HOLDING :-		
1. Institutional Investors	--	--
2. Others :-		
a. Private Corporate Bodies	3455082	23.03
b. Indian Public	3761268	25.08
c. NRIs/OCBs	45500	0.30
TOTAL	15000000	100

iii) CATEGORYWISE DISTRIBUTION OF SHARES AS ON 31/03/2014

Category Description	No of Shareholders	% To Total Shareholders	No of Shares	% To Total Shares
Residential Individual	2704	95.65	3761268	25.08
Domestic Company	54	1.91	3455082	23.03
Non Residential Individuals	42	1.49	45500	0.30
Foreign Companies	0	0.00	0	0.00
Mutual Funds	0	0.00	0	0.00
Financial Institutions	0	0.00	0	0.00
Banks	0	0.00	0	0.00
Directors and their Relatives	6	0.28	1645884	10.97
Promoter Companies	19	0.67	6092266	40.62
Foreign Institutional Investors	0	0.00	0	0.00
Others	0	0.00	0	0.00
TOTAL	2825	100	15000000	100

Dematerialisation of Shares & liquidity

Trading in the Company's shares is permitted only in dematerialised form for all investors as per notifications issued by the SEBI. The Company has established connectivity with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) through the Registrars S.K.Infosolutions Pvt. Ltd. to enable shareholders to hold their shares in electronic form and to facilitate script less trading.

Share Dematerialisation Records

Status of Dematerialisation of shares and Physical form of shares as on 31st March, 2014

Particulars	No. of shares	% to Capital
NSDL	11728201	78.19
CDSL	1471812	9.81
Dematerialized(A)	13200013	88.00
Physical (B)	1799987	12.00
Total (A+B)	15000000	100.00

8. Address of Communication:

Eastern Gases Limited

43 Palace Court, 1 Kyd Street,
Kolkata – 700016

Registrar and Share Transfer Agent

: S.K.Infosolutions Pvt. Ltd.

34/1A, Sudhir Chatterjee Street,
Kolkata – 700006

Tel : 22194815/22196797 / Fax:
22194815

Email: mail@skcomputers.net,
agarwalsko@rediffmail.com

During the financial year 2013-14 queries/complaints/requests were received by the Company from Shareholders and all of which have been satisfactorily replied.

CODE OF CONDUCT

The Board has framed a code of conduct for all Board members and senior management personnel of the Company focusing transparency, accountability & ethical expression in all acts and deeds. The Company's Code of Conduct is in consonance with the requirements of Clause 49 of the Listing Agreement with Stock Exchanges. The Code of Conduct is soon to be posted on companies. A certificate of affirmation in this regard is appended.

DECLARATION UNDER CLAUSE 49(I)(D)(II)

In accordance with Clause 49 sub- clause 1(D) of the Listing Agreement with the Stock Exchanges, we hereby confirm that all the Directors and the Senior Management personnel of the Company have affirmed compliance to their respective Codes of Conduct, as applicable to them for the financial year ended March 31st, 2014.

Kolkata

Dated: 31st May 2014

On behalf of the Board of Directors

S.K.Bhansali

Chairman



**AUDITORS' CERTIFICATE ON COMPLIANCE OF CORPORATE
GOVERNANCE UNDER CLAUSE 49 OF THE LISTING AGREEMENT (S)**

**TO,
THE MEMBERS OF EASTERN GASES LTD.**

We have examined the compliance of the conditions of Corporate Governance procedures by *Eastern Gases Ltd. ("the Company")* for the year ended on 31st March 2014, as stipulated in Clause 49 of the Listing Agreements of the Company with the Stock Exchange(s).

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

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and Management of the Company, we certify that the Company has substantially complied with the conditions of the Corporate Governance as stipulated in the above mentioned Listing Agreement.

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

FOR SARKAR GURUMURTHY & ASSOCIATES

Place : Kolkata

Chartered Accountants

Dated : 31st May, 2014

(Firm Regn.No: 314062E)

**Parimal Sarkar
(Partner)**

M.No. 051550

Independent Auditor's Report

To the Members of **Eastern Gases Limited**.

Report on the Financial Statements

We have audited the accompanying financial statements of Eastern Gases Limited ("the Company") which comprise the Balance Sheet as at March 31, 2014, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position and financial performance of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act") read with the General Circular 15/2013 dated 13th September, 2013 of the Ministry of Company Affairs in respect of Section 133 of the Companies Act, 2013 and with the Accounting Principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's Internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the



manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
- b) in the case of the Profit and Loss Account, of the profit for the year ended on that date; and
- c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
 - a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b) in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
 - c) the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) in our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards notified under the Act read with the General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013;
 - e) on the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

FOR SARKAR GURUMURTHY & ASSOCIATES

Chartered Accountants

Place : Kolkata

Dated : 31st May, 2014

(Firm Regn.No: 314062E)

Parimal Sarkar
(Partner)

M.No. 051550

Referred to in Paragraph 1 under the heading of “Report on Other Legal and Regulatory Requirements” of our report of even date

- i. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) As explained to us the fixed assets have been physically verified by the management during the year in a phased / Periodical manner which in our opinion is reasonable having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such verification.
- (c) During the year, Company has not disposed of any substantial/major part of fixed assets, so the question of going concern being affected does not arise.
- ii. (a) As explained to us, the inventory has been physically verified during the year by the management. In our Opinion, the frequency of verification is reasonable.
- (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of inventory, the Company is maintaining proper records of inventory. As explained to us there were no material discrepancies noticed on physical verification of inventory as compared to the book records.
- iii. (a) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not granted any loan, secured or unsecured, to companies, firms or other parties listed in the Register maintained under section 301 of the Companies Act, 1956.
- (b) According to the information and explanations given to us and on the basis of our examination of the books of accounts, the company has not taken any loans from companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956. Thus sub clauses (f) & (g) are not applicable to the company.
- iv. In our opinion and according to the information and explanations given to us, there is generally an adequate internal control system commensurate with the size of the Company and nature of its business, for the purchase of inventories and fixed assets, payment for expenses & for sale of goods. During the course of our audit, no major weakness has been noticed in the internal controls.
- v. (a) Based on the audit procedures applied by us and according to the information and explanations provided by the management, the particulars of contracts or arrangements referred to section 301 of the companies Act, need not be entered in the register required to be maintained under that section as the promoter director holds less than 2% of the paid up share capital of the other company.
- (b) According to the information and explanations given to us there are no transactions of purchase of goods and material in excess of Rs. 5 lakhs during the year with the parties covered under section 301 of the companies Act, 1956.



- vi. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the Provisions of Section 58A of the Companies Act, 1956 and rules there under.
- vii. In our opinion, the Company has an internal audit system commensurate with the size and the nature of its business.
- viii. We have broadly reviewed the books of account maintained by the Company. As explained to us the maintenance of cost records under Section 209(1)(d) of the Companies Act, 1956 are not prescribed by the Central Government.
- ix. According to the records of the Company and explanations given to us, the Company has been regular in depositing undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income -Tax, Sales Tax, Wealth-Tax, Customs Duty, Excise Duty, Cess and other Statutory dues with the appropriate authorities during the year. According to the information and explanations given to us, there were no outstanding statutory dues as on 31st of March, 2013 for a period of more than six months from the date they became payable.
- x. The Company has not incurred cash losses during current and the immediately preceding financial year.
- xi. Based on our audit procedures and on the basis of information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of dues to a financial institution, bank or debenture holders.
- xii. According to the information and explanations given to us, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- xiii. The provisions of any Special Statute applicable to Chit Fund, Nidhi or Mutual Benefit fund/Societies are not applicable to the Company.
- xiv. In our opinion, the company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of Clause 4(xiv) of the Order are not applicable to the Company.
- xv. Based on our audit procedures and to the best of our knowledge and belief and according to the information and explanations given to us, the company has not given any guarantees for loan taken by others, from a bank or financial institution.
- xvi. According to the information and explanations given to us, the term loans have been applied for the purposes for which they were obtained.
- xvii. According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we report that no funds raised on short-term basis have been used for long-term investment by the Company and vice versa.
- xviii. The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Act during the year. Accordingly, the provisions of Clause 4(xviii) of the Order are not applicable to the Company.
- xix. According to the information and explanations given to us, and the records examined by us, the Company has not issued any debentures hence no question of creation of securities arises.



xx. The Company has not raised money by any public issues during the year and hence the question of disclosure and verification of end use of such money does not arise.

xxi. To the best of our knowledge and belief and according to the information and explanations given to us, no fraud on or by the Company was noticed or reported during the year.

FOR SARKAR GURUMURTHY & ASSOCIATES

Chartered Accountants

Place : Kolkata

Dated : 31st May, 2014

(Firm Regn.No: 314062E)

Parimal Sarkar
(Partner)

M.No. 051550



Balance Sheet as at 31 March 2014

(Rs. in lacs)

Particulars	Note No.	31-Mar-14	31-Mar-13
I. EQUITY AND LIABILITIES			
(1) SHAREHOLDERS' FUND			
(a) Share Capital	1	1,500.00	1,500.00
(b) Reserves and Surplus	2	1,278.14	1,047.94
(2) NON-CURRENT LIABILITIES			
(a) Long Term Borrowings	3	1,563.71	41.60
(b) Other Long Term Liabilities	4	151.54	155.64
(c) Deferred Tax Liability		18.93	-
(3) CURRENT LIABILITIES			
(a) Short Term Borrowings	5	2,266.65	1,850.92
(b) Trade Payables		2,186.18	1,843.47
(c) Short Term Provisions	6	72.88	62.60
TOTAL		9,038.02	6,502.17
II. ASSETS			
(1) NON-CURRENT ASSETS			
(a) Fixed Assets			
Tangible Assets	7	2,262.84	828.37
Capital WIP		306.96	-
(b) Deferred Tax Assets (net)	23.3	-	28.14
(c) Other Non-Current Assets	8	60.32	45.52
(2) CURRENT ASSETS			
(a) Inventories		78.61	71.43
(b) Trade Receivables	9	5,318.24	4,719.39
(c) Cash And Cash Equivalents	10	133.25	103.61
(d) Short Term Loans And Advances	11	859.04	697.69
(e) Other Current Assets	12	18.76	8.02
TOTAL		9,038.02	6,502.17
Significant Accounting Policies	21		
Notes on Financial Statements	22-24		
As per our report of even date			
For Sarkar Gurmurthy & Associates		For and behalf of the Board	
Chartered Accountants		<u>Eastern Gases Ltd.</u>	
(Registration No. 314062E)			
Parimal Sarkar	S.K.Bhansali	D. Choudhury	
Partner	Director	Director	
Membership No. : 051550			
Place : Kolkata			
Date : 31st May, 2014			

Profit and Loss Statement for the year ended 31st March 2014

(Rs. in lacs)

Particulars	Note No	31-Mar-14	31-Mar-13
I. Revenue from operations	13	22,727.53	20,951.24
II. Other Income	14	52.35	17.17
III. Total Revenue (I +II)		22,779.88	20,968.41
Expenses:			
Purchases of stock-in-trade		21,715.00	20,263.47
Change in inventories of stock-in-trade	15	(7.18)	(21.77)
Employees benefits expense	16	39.31	31.05
Financial costs	17	525.55	268.33
Depreciation and amortisation expense	18	90.84	67.41
Other expenses	19	67.44	83.69
IV. Total Expenses		22,430.96	20,692.18
V. Profit before tax (III-IV)		348.92	276.23
Tax expense:			
(a) Current tax expense for current year		70.18	61.11
(b) Current tax expense relating to prior years		1.47	(2.62)
(c) Deferred tax		47.07	(0.23)
VI. Total Taxes		118.72	58.26
VII. Profit/(Loss) for the period (V-VI)		230.20	217.97
VIII. Earning per equity share:			
Basic & Diluted (in Rs.)		1.53	1.45
Significant Accounting Policies	21		
Other Notes on Financial Statements	22-24		
As per our report of even date			
For Sarkar Gurumurthy & Associates		For and behalf of the Board	
Chartered Accountants		<u>Eastern Gases Ltd.</u>	
(Registration No. 314062E)			
Parimal Sarkar	S.K.Bhansali	D. Choudhury	
Partner	Director	Director	
Membership No. : 051550			
Place : Kolkata			
Date : 31st May, 2014			



Cash Flow Statement for the year ended 31 March, 2014

(Rs. in lacs)

Particulars	31-Mar-2014	31-Mar-2013
A. Cash flow from operating activities		
Net Profit / (Loss) before extraordinary items and tax	350.76	276.24
<i>Adjustments for:</i>		
Depreciation and amortisation	90.84	67.41
Finance Cost	523.71	268.33
Interest Income	(48.51)	(8.33)
	916.80	603.65
Operating profit / (loss) before working capital changes		
<i>Changes in working capital:</i>		
<i>Adjustments for (increase) / decrease in operating assets:</i>		
Inventories	(7.18)	(21.77)
Trade receivables	(598.85)	(1441.19)
Short-term loans and advances	(157.76)	(206.30)
Other current assets	(10.74)	0.80
Other non-current assets	(15.53)	(16.41)
<i>Adjustments for increase / (decrease) in operating liabilities:</i>		
Trade payables	342.71	351.05
Proceeds from short term borrowings	415.73	845.33
Short-term provisions	-	0.06
	(31.62)	(488.43)
Cash generated from operations	885.18	115.22
Net income tax (paid) / refunds	(68.01)	(51.78)
Net cash flow from / (used in) operating activities (A)	817.17	63.44
B. Cash flow from investing activities		
Interest Income	48.51	8.33
Capital expenditure on fixed assets	(1831.55)	(40.67)
Net cash flow from investing activities (B)	(1783.04)	(32.34)
C. Cash flow from financing activities		
Proceeds from issue of equity shares	-	1093.13
Share application money received / (refunded)	-	(505.00)
Finance Cost	(523.71)	(268.33)
Repayment of other long term liabilities	(4.10)	(347.04)
Repayment of long-term borrowings	1522.11	(0.23)
Net cash flow from / (used in) financing activities (C)	994.30	(27.47)
Net increase / (decrease) in Cash and cash equivalents (A+B+C)	28.43	3.63
Cash and cash equivalents at the beginning of the year	103.61	99.98
Cash and cash equivalents at the end of the year	132.04	103.61
As per our report of even date		
For Sarkar Gurumurthy & Associates	For and behalf of the Board	
Chartered Accountants	Eastern Gases Ltd.	
(Registration No. 314062E)		
Parimal Sarkar	S.K.Bhansali	D.Choudhury
Partner (Membership No. : 051550)	Director	Director
Place : Kolkata,		
Date : 31st May, 2014		

Notes forming part of the financial statements

NOTE 1 - SHARE CAPITAL

(Rs. in lacs)

Particulars	31-Mar-14	31-Mar-13
<u>Authorised</u>		
1,50,00,000 Equity Shares of Rs. 10/- Each (P.Y 1,00,00,000 Equity Shares of Rs. 10/- Each)	1,500.00	1,500.00
Total	1,500.00	1,500.00
<u>Issued, Subscribed & Fully Paid Up</u>		
1,50,00,000 Equity Shares of Rs. 10/- Each	1,500.00	1,500.00
Total	1,500.00	1,500.00

Disclosure pursuant to Note no. 6(A)(e) of Part I of Schedule VI to the Companies Act,

Terms & Rights attached to equity shares :

(i) The Company has only one class of Equity Shares having a par value of Rs.10/- per share. Each holder of equity share is entitled to one vote per share.

(ii) In the event of liquidation of the company, the holders of Equity Shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be proportionate to the number of Equity shares held by shareholders.

(iii) None of the shareholders are holding more than 5% of Equity Shares in the company.

NOTE 2 - RESERVE & SURPLUS

Particulars	31-Mar-14	31-Mar-13
<u>Profit and Loss Account</u>		
As per last Balance Sheet	597.83	379.85
Add: Profit for the year	230.20	217.98
Securities premium reserve	450.11	450.11
Total	1,278.14	1,047.94

NOTE 3- LONG TERM BORROWINGS

Particulars	31-Mar-14	31-Mar-13
<u>Term Loans</u>		
from Banks - Secured	1,548.43	3.81
from other parties - Unsecured	15.28	37.79
Total	1,563.71	41.60



(i) Details of terms of repayment for the other long-term borrowings and security provided in respect of the secured other long-term borrowings:

Particulars	Outstanding Balance and Security	31-Mar-14
		Secured
<u>Term loans from banks:</u>		
ICICI Bank Ltd.	Against CV - 26 EMI of Rs 9260 incld. int.	2.11
HDFC Bank Ltd.	Against Car - 6 EMI of Rs.5436 incld. int.	0.32
DBS-Bank Ltd.	Against Plant at Hyderabad and Bangalore, Payable in 16 equal quarterly Instalments of Rs. 34.12 lacs for Rs. 5.46 cr and Rs. 62.5 lacs for Rs. 10 cr.	1546.00
Total - Term loans from banks		1548.43
<u>Term loans from other parties</u>		Unsecured
Magma Fincorp Ltd.	2 EMI of Rs.124785 incld. int.	2.28
Magma Fincorp Ltd.	14 EMI of Rs.105568 incld. Int.	13.00
Total - Term loans from others		15.28

NOTE 4 - OTHER LONG-TERM LIABILITIES

(Rs. in lacs)

Particulars	31-Mar-14	31-Mar-13
(a) Security Deposit/ Performance Deposit	151.54	153.67
(b) Others liabilities payable after 1 year	-	1.97
Total	151.54	155.64

NOTE 5 - SHORT TERM BORROWINGS

Particulars	31-Mar-14	31-Mar-13
<u>Secured</u>		
Loans repayable on demand from banks	2,266.65	1,850.92
Total	2,266.65	1,850.92

Notes:

(i) Details of security for the secured short-term borrowings:

Particulars	31-Mar-14	31-Mar-13
<u>Loans repayable on demand from banks:</u>		
(Secured by charge over present and future current assets, plant and machinery at Durgapur Bottling Plant and Paschim Medinipur Retail Outlet)	2,266.65	1,850.92
Total - from banks	2,266.65	1,850.92

NOTE 6 - SHORT TERM PROVISIONS

Particulars	31-Mar-14	31-Mar-13
(a) Provision for employee benefits	0.08	0.05
(b) <u>Others:</u>		
TDS Payable	0.31	0.76
Salary Payable	1.90	0.62
Other payables	0.41	0.06
Provision for Taxation	70.18	61.11
Total	72.88	62.60

NOTE 7 - FIXED ASSETS

Particulars of Depreciation as per Company Act 1956

(Rs. in Lacs)

Fixed Assets	Gross Block			Depreciation			Net Block	
	As at 01.04.2013	Additions/ (Disposals)	As at 31.03.2014	As at 01.04.2013	For the year	As at 31.03.2014	As at 31.03.2014	As at 31.03.2013
<u>Tangible Assets</u>								
A. Land & Development - Leasehold	240.61	386.93	627.54	0.51	-	0.51	627.03	240.10
B. Building	294.97	293.50	588.47	83.20	13.36	96.56	491.91	211.77
C. Plant, Machinery and Equipment	444.69	794.85	1,239.54	163.66	43.88	207.54	1,032.00	281.03
D. LPG Cylinders	188.25	39.00	227.25	138.34	24.43	162.77	64.48	49.91
E. Furniture and Fixtures	0.44	-	0.44	0.25	0.03	0.28	0.16	0.19
F. Vehicles & Motor car	64.85	5.73	70.58	23.86	7.23	31.09	39.49	40.99
G. Office Equipments	13.08	4.58	17.66	8.71	1.18	9.89	7.77	4.37
Total	1,246.89	1,524.59	2,771.48	418.53	90.11	508.64	2,262.84	828.37

NOTE 8 - OTHER NON CURRENT ASSETS

(Rs. in Lacs)

Particulars	31-Mar-14	31-Mar-13
<u>Unamortised Expenses</u>		
(a) Share issue expenses	2.17	16.41
(b) Prepaid Expenses	58.15	29.11
Total	60.32	45.52



NOTE 9 - TRADE RECEIVABLES

Particulars	31-Mar-14	31-Mar-13
Trade receivables outstanding for a period less than six months from the date they are due for payment		
Unsecured, considered good	5249.94	4,632.05
Total	5,249.94	4,632.05
Trade receivables outstanding for a period exceeding six months from the date they are due for payment		
Unsecured, considered good	69.53	88.57
Less: Provision for doubtful debts	1.23	1.23
Total	68.30	87.34
Total	5,318.24	4,719.39

NOTE 10 - CASH AND CASH EQUIVALENTS

Particulars	31-Mar-14	31-Mar-13
(a) Balances with banks		
(i) In current accounts	0.76	0.70
(ii) In deposit accounts	1.05	0.80
(iii) In earmarked accounts		
- Balances held as margin money or security against borrowings (Refer Note (1) below)	118.99	74.00
(b) Cash in hand	12.45	28.11
Total	133.25	103.61

Notes:

(1) Balances with banks include deposits/margin money amounting to Rs. 1500000.00 (as at 31st March, 2014) which have an original maturity of more than 12 months.

NOTE 11 - SHORT TERM LOAN AND ADVANCES

(Rs. in Lacs)

Particulars	31-Mar-14	31-Mar-13
(a) Security deposits		
Unsecured, considered good	42.00	42.60
(b) Loans and advances to employees		
Unsecured, considered good	28.14	0.99
(c) Balances with government authorities		
(i) CENVAT credit receivable	3.83	3.83
(ii) VAT credit receivable	1.12	0.69
(iii) Service Tax credit receivable	0.17	0.02
(iv) IT Refundable	7.73	7.73
(v) TDS	4.69	6.25
(vi) Advance IT	50.47	45.32
(vii) Fringe Benefit Tax Refundable	0.32	0.32
(d) Advances receivable in cash or in kind or for value to be received		
Unsecured, considered good	720.57	589.94
Total	859.04	697.69

NOTE 12 - OTHER CURRENT ASSETS

Particulars	31-Mar-14	31-Mar-13
(a) Accruals		
(i) Interest accrued on deposits	18.76	8.02
Total	18.76	8.02

NOTE 13 - REVENUE FROM OPERATIONS

(Rs. in lacs)

Particulars	31-Mar-14	31-Mar-13
Gross Sales	22,727.53	20,951.24
Less: Taxes		
Excise duty	-	-
Sales tax	-	-
Net sales	22,727.53	20,951.24
Total	22,727.53	20,951.24

NOTE 14 - OTHER INCOME

Particulars	31-Mar-14	31-Mar-13
Interest Received	48.51	8.33
Bottling Income	3.39	
Other Misc. Income	0.45	8.84
Total	52.35	17.17

NOTE 15 - CHANGES IN INVENTORIES OF STOCK-IN-TRADE

Particulars	31-Mar-14	31-Mar-13
<u>Inventories at the end of the year:</u>		
Stock-in-trade	78.61	71.43
<u>Inventories at the beginning of the year:</u>		
Stock-in-trade	71.43	49.66
Net (increase) / decrease	(7.18)	(21.77)

NOTE 16 - EMPLOYEE BENEFITS EXPENSE

Particulars	31-Mar-14	31-Mar-13
(a) Salaries and wages		
(i) Employees Salaries & wages	15.10	17.82
(ii) Salary to director	12.60	12.60
(b) Contributions to		
(i) Provident Fund	0.52	0.23
(ii) Gratuity		0.08
(iii) ESI	0.32	0.20
(c) Staff welfare expenses	10.77	0.12
Total	39.31	31.05



NOTE 17 - FINANCE COSTS

(Rs. in lacs)

Particulars	31-Mar-14	31-Mar-13
(a) Interest expense		
Interest on car loan	0.38	0.42
Interest on CC/ OD	361.37	162.33
Interest on Term Loan	116.96	7.80
Other Interests	17.92	0.04
(b) Other financial costs	28.92	97.74
Total	525.55	268.33

NOTE 18 - DEPRECIATION & AMORTISATION EXPENSE

Particulars	31-Mar-14	31-Mar-13
Deprication for the year	90.11	62.89
Amortisation expenses	0.73	4.52
Total	90.84	67.41

NOTE 19 - OTHER EXPENSES

Particulars	31-Mar-14	31-Mar-13
Audit Fees	0.19	0.19
Advertisement	0.28	0.73
Commission	3.05	3.54
Donation	0.64	9.08
Entertainment	0.04	0.04
Freight	-	5.86
Hotel, Boarding & Lodging	0.30	0.30
Insurance	0.14	2.60
<u>Misc.Exp</u>		
a. Legal & Professional Charges/Fees	5.50	13.18
b. Equity Share Expenses	1.10	0.75
c. Packing / Loading & Unloading	-	0.25
d. Security Expenses	4.86	3.24
e. General & Other Expenses:	2.79	1.52
<u>Power & Fuel</u>		
a. Car Running	5.30	1.49
b. H.V. Running & Maintenance	12.35	17.19
c. Electricity & Fuel	0.85	0.81
<u>Rates & Taxes, excluding taxes on income</u>		
a. Service Tax	3.01	4.60
b. ROC	0.08	0.09
c. Any other Govt. Taxes	16.28	2.81
Rent	2.11	2.08
Repairs to building	0.93	0.98
Repairs to machinery	1.41	1.91
Sales Promotion including publicity	0.05	5.52
Telephone	1.11	0.94
Travelling Expenses	5.06	3.98
Total	67.44	83.68

Notes forming part of the financial statements

Note	Particulars
20	Corporate information
	The company is engaged primarily in the business of Bottling, trading of LPG and Retailing of AutoLPG. It has its LPG Bottling plant at Durgapur and AutoLPG retailing station at Paschim Medinipur.
21	Significant accounting policies
	"The Company is a Small and Medium Sized Company as defined in the General Instructions in respect of Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended). Accordingly, the Company has complied with the Accounting Standards as applicable to a Small and Medium Sized Company."
21.1	Basis of accounting and preparation of financial statements
	The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared on accrual basis under the historical cost convention.
21.2	Use of estimates
	The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialised.
21.3	Inventories
	Inventories are valued at the lower of cost (on FIFO) and the net realisable value after providing for obsolescence and other losses, where considered necessary. Cost includes all charges in bringing the goods to the point of sale, including octroi and other levies, transit insurance and receiving charges. Work-in-progress and finished goods include appropriate proportion of overheads and, where applicable, excise duty.
21.4	Cash and cash equivalents (for purposes of Cash Flow Statement)
	Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.
21.5	Cash flow statement
	Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.
21.6	Depreciation and amortisation
	Depreciation has been provided on the straight-line method as per the rates prescribed in Schedule XIV to the Companies Act, 1956 except in respect of the following categories of assets, in whose case the life of the assets has been assessed as under: Leasehold land is yet to be amortised



Note 21 Significant accounting policies (contd.)

Note	Particulars
21.7	Revenue recognition
	<p data-bbox="262 249 396 272"><u>Sale of goods</u></p> <p data-bbox="262 277 1142 363">Sales are recognised, net of returns and trade discounts, on transfer of significant risks and rewards of ownership to the buyer, which generally coincides with the delivery of goods to customers. Sales excludes excise duty, sales tax and value added tax.</p>
21.8	Other income
	Interest & Other income is accounted on accrual basis.
21.9	Tangible fixed assets
	<p data-bbox="262 458 1142 715">Fixed assets, are carried at cost less accumulated depreciation and impairment losses, if any. The cost of fixed assets includes interest on borrowings attributable to acquisition of qualifying fixed assets up to the date the asset is ready for its intended use and other incidental expenses incurred up to that date. Machinery spares which can be used only in connection with an item of fixed asset and whose use is expected to be irregular are capitalised and depreciated over the useful life of the principal item of the relevant assets. Subsequent expenditure relating to fixed assets is capitalised only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.</p>
21.10	Employee benefits
	<p data-bbox="262 753 1142 811">Employee benefits include provident fund, superannuation fund, gratuity fund, compensated absences, long service awards and medical benefits.</p> <p data-bbox="262 839 521 862"><u>Defined contribution plans</u></p> <p data-bbox="262 868 1142 944">The Company's contribution to provident fund is considered as defined contribution plans and are charged as an expense as they fall due based on the amount of contribution required to be made.</p> <p data-bbox="262 982 467 1005"><u>Defined benefit plans</u></p> <p data-bbox="262 1011 1142 1058">For defined benefit plans in the form of gratuity fund the company has made arrangement with Life Insurance Corporation of India.</p>
21.11	Borrowing costs
	<p data-bbox="262 1096 1142 1268">Borrowing costs include interest, amortisation of ancillary costs incurred. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan. Borrowing costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset upto the date of capitalisation of such asset is added to the cost of the assets.</p>
21.12	Segment reporting
	<p data-bbox="262 1306 1142 1391">The Company identifies primary segments based on the dominant source, nature of risks and returns and the internal organisation and management structure. Being Primarily the trading nature of business, the company does not prepare segment reporting</p>
21.13	Leases
	<p data-bbox="262 1429 1142 1519">Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are recognised as operating leases. Lease rentals under operating leases are recognised in the Statement of Profit and Loss on a straight-line basis.</p>

Note 21 Significant accounting policies (contd.)

Note	Particulars
21.14	Earnings per share
	Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is same. The company has no dilutive potential equity shares.
21.15	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. Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company. Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantially enacted as at the reporting date. Deferred tax assets in respect of unabsorbed depreciation and carry forward of losses are recognised only if there is virtual certainty that there will be sufficient future taxable income available to realise such assets. Deferred tax assets are reviewed at each Balance Sheet date for their realisability.
21.16	Impairment of assets
	The carrying values of assets / cash generating units at each Balance Sheet date are reviewed for impairment. If any indication of impairment exists, the recoverable amount of such assets is estimated and impairment is recognised, if the carrying amount of these assets exceeds their recoverable amount. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor. When there is indication that an impairment loss recognised for an asset in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, except in case of revalued assets.
21.17	Provisions and contingencies
	A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Contingent liabilities are not recognised but are disclosed in the Notes.
21.18	Balances
	Balances of Sundry Debtors, Unsecured Loan & Advances and Sundry Creditors are subject to the confirmation and reconciliation.
21.19	Short Term Loans and Advances
	Loans and advances to employees under "Short term loans and advances" (Note 11) include Rs.14.74lacs paid on behalf of Mr.Sumit Bhansali, who is holding key management position in the Company.
21.20	Service tax input credit
	Service tax input credit is accounted for in the books in the period in which the underlying service received is accounted and when there is no uncertainty in availing / utilising the credits.
21.21	Other Notes
	1. The Company did not employ any person during the year with a salary of Rs. 500000/- P.M. Or Rs 6000000/- P.A. and as such information required u/s 217 (2A) of the Companies Act, 1956 read with Companies (Particular of the employees) Rule, 1975 has not been given. 2. The deposit shown in the Balance Sheet is the trade deposit which will not attract the provisions of Section 58A of the Companies Act,1956



Note 22 Additional information to the financial statements

Note	Particulars	As at 31/03/2014 Rs. In lacs	As at 31/03/2013 Rs. In lacs
22.1	Contingent liabilities		
	(a) Bank Guarantee issued and effective	600.25	400.25
22.2	Disclosure under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006		
	There has been no dues to Micro and Small Enterprises which have been determined to the extent such parties have been identified on the basis of information collected by the Management.		
22.3	Disclosure as per Clause 32 of the Listing Agreements with the Stock Exchanges		
	The company has no Loans and advances in the nature of loans given to subsidiaries, associates and others and investment in shares of the Company by such parties.		

Note 23 Disclosures under Accounting Standards

Note	Particulars		
23.1	Related party transactions		
	Description of relationship	Name	Details of transaction
	Managing Director	Mr. S.K.Bhansali	Remuneration & Advances
	Amount-Rs in lacs		
			16.00 (P.Y.- 12.60)
	Note: Related parties have been identified by the Management.		
23.2	Earnings per share	For the year ended 31/03/2014	For the year ended 31/03/2013
	Profit for the year (after tax)	Rs. 23,019,573	Rs. 21,798,000
	Weighted average number of equity shares	15,000,000	15,000,000
	Face value per share	Rs.10	Rs.10
	Basic/Diluted Earnings per share	1.53	1.45
23.3	Deferred Tax Asset	Amount in Rs.	Amount in Rs.
	Opening Balance	2,814,321	2,791,321
	Terminating during the year	-	(23,000)
	Timing Difference created	4,707,243	-
	Net deferred tax asset/(liability)	(1,892,922)	2,814,321
	The Company has recognised deferred tax asset on unabsorbed depreciation and brought forward business losses based on the Management's estimates of future profits considering the customer orders received by the Company.		

Note 24 Previous year's figures

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

As per our report of even date Chartered Accountants (Registration No. 314062E)	<u>Eastern Gases Ltd.</u>
Parimal Sarkar Partner Membership No. : 051550 Place : Kolkata Date : 31st May, 2014	S.K.Bhansali Director
	D.Choudhury Director



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

CIN	L40200WB1995PLC068251
Name of Company	Eastern Gases Limited
Registered Office	43 Palace Court, 1 KYD Street, Kolkata- 700016

Name of the Member(s): Registered Address: E-mail Id: Folio No./Client Id: DP ID:	
---------------------------------------------------------------------------------------------------	--

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

- 1) Name: _____ Address: _____
 Email Id: _____ Signature: _____, or
 failing him

- 2) Name: _____ Address: _____
 Email Id: _____ Signature: _____, or
 failing him

- 3) Name: _____ Address: _____
 Email Id: _____ Signature: _____,

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 19th Annual General meeting of the company to be held on the 30th September, 2014 at 11.00 AM. at the Registered office of the company at Smriti Charitable Medical Centre, 81, K.P.Roy Lane, Haltu, Kolkata – 700078 and at any adjournment thereof in respect of such resolution as are indicated below:

Item No.	Resolution	No .of Shares	For (I/We assent to the Resolution)	Against (I/We dissent to the Resolution)
Ordinary Business				
1	Adoption of Statement of profit & loss, Balance Sheet , Report of Board of Directors and Auditors for Financial year ended March'31'2014			
2	No dividend is declared for the Financial Year 2013-14			
3	Appointment of Auditors for a term of 5 years			
Special Business				
4	Increase in remuneration of Managing Director.			
5.	Increase in Borrowing limit			
6.	Approval for Hypothecation /mortgage etc			
7.	Appointment of a relative of Director to a place of profit			
8	Fixation of tenure of independent directors			

Signed this _____ day of _____ of 2014

Signature of the Shareholder: _____

(Affix Revenue Stamp)

Signature of the Proxy: _____

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before commencement of the Meeting.





If undelivered, please return to :
Eastern Gases Ltd.
43 Palace Court,
1 Kyd Street,
Kolkata 700 016